



PRE RI SC TE RE RE

**uhrenholt**

CSR RAPPORT 2017

F. UHRENHOLT HOLDING A/S

CSR report 2017

Welcome to the Uhrenholt CSR report 2017	3
Message from the CEO	4
About Uhrenholt	6
Uhrenholt Global Organisation	8
Sustainability with the UN Global Compact	10
Business areas and product portfolio	12
Our vision and values	14
CSR Focus Areas	16
LABOR/HUMAN RIGHTS	20
Flexible working	20
Student work and internships	23
Firstaid and defibrillator	23
Supplier management	24
ENVIRONMENT AND CLIMATE	26
Sustainable palm oil	26
Healty living	27
Transport	28
Food waste	29
Grøndal Dairy	32
BUSINESS ETHICS	34
Business principles	34
Code of conduct	34
AEO certified	35
Fraud fighting	35
Partnership development	36
Local production	37
Charity	37
Progress 2017	38
CSR 2018	39
Thanks	40

WELCOME

to the Uhrenholt CSR report 2017

It provides you with an insight and a review on the way we handle and integrate our corporate social responsibility in our daily business.

The Uhrenholt CSR report is prepared in accordance with the Danish Financial Statement Act § 99 a.

In addition Uhrenholt is a signatory member of the UN Global Compact meaning that our CSR work is structured along with the Global Compact set of values and principles regarding human rights, labor, environment and anti-corruption. Our annual report is uploaded as Communication of Progress at www.unglobalcompact.org.

Global Compact is the world's largest corporate responsibility initiative with more than 12,000 voluntary business and non-business participants in 170 countries.

March 2018

uhre

MESSAGE FROM THE CEO

Dear Reader

Awakened in the middle of the night we may not all be able to reel of the 17 UN sustainable development goals. But what counts to Uhrenholt is that the spirit and content of a good deal of the goals form the backbone in what we do at day time - all year round.

We are a food company supplying high standard products to more than 80 countries on all continents. We are not saving the world with our activities, but we see ourselves as ambassadors that communicate the UN messages and the Global Compact principles everytime we close an order.

First of all by bringing sustainably produced, safe and healthy food products around the world. But also by setting new standards in our markets by offering our partners and consumers what we call affordable premium products.

Our ambition is to provide a broader segment also in developing countries with high quality food products manufactured in compliance with the UN goals and principles. They do not need to be produced in Europe under the restrictions and control of the most environmental friendly legislation in the world. We will gradually focus more on the opportunities to produce locally in some of these markets. We will not compromise on our demands to standards and production methods but we will add elements like less transport and local development of farmers, companies and society to our sustainability backbone.

Enjoy reading our 2017 report.

S. Uhrenholt



ABOUT UHRENHOLT

Uhrenholt A/S is a global food company supplying mainly dairy products and frozen vegetables to a broad range of retail, wholesale, foodservice and industrial customers in more than 80 countries around the world. While our head office is situated in Denmark, we have offices and representatives in more than 20 countries and employ more than 450 dedicated people on a global scale. Our products are sold under the brand names Emborg™, Friendship™ and Amigo™ or as commodities and industrial sales.

Uhrenholt was founded April 1 1978 in Denmark by Frank Uhrenholt. The main business was international trading of table cheeses and cheese for processing and soon Uhrenholt became one of the largest privately owned dairy companies in Denmark.

In 2005 Uhrenholt acquired Emborg Foods A/S and in 2009 all activities of the former Uhrenholt and Emborg Foods companies were merged and marketed under the Uhrenholt name. In 2007 Sune Uhrenholt took over the role as CEO and has undertaken a restructuring of the company to include sales to the retail channel and focus on branded products.

Frank Uhrenholt created the original ship logo in 1978 by folding a paper ship from a newspaper page and painting it red and white. He was inspired by the Hans Christian Andersen fairytale, The Steadfast Tin Soldier, who went to conquer the world in a ship of paper.

Today the logo has been simplified and is mirrored in the water. This visualizes that Uhrenholt is a modern food company and all our actions are agile reflections of the surrounding world and the opportunities it offers.



FACTS

Founded: 1978 by Frank Uhrenholt

Number of employees: 450+

Ownership: F. Uhrenholt Holding A/S is a 100% family owned business

CEO: Sune Uhrenholt

Location Denmark: Head office in Middelfart

Location worldwide: Represented in more than 20 countries

Sales: Selling products in more than 80 countries across the world





GLOBAL ORGANISATION

Uhrenholts commercial organisation is structured in four regions: Russia & CIS, Middle East & Africa, Asia and Europe (including Oceania and Americas). Our Global Trading section focusing on commodities and industrial sales are integrated in the Europe Division.

All regions are supported by our expert corporate functions including Legal and Risk Management, Quality Assurance, Procurement, Portfolio Management, Marketing, Logistics & Transportation, HR, Finance and IT to secure that we deliver the highest quality and standards and meet the diversity demands worldwide.

The commercial organisation is responsible for sales in the regions and divisions as mentioned above.

The regions are apart from the geographical differences also different in terms of business focus.

Unique for the region Russia & CIS is the large distribution setup in Moscow. Here Uhrenholt distribute own products and external brands to the retail- and foodservice channel.



SUSTAINABILITY WITH THE UN GLOBAL COMPACT



BUSINESS AREAS AND PRODUCT PORTFOLIO

Uhrenholt has a long tradition and experience within sales of food products B2B and B2C. Reliability, tailor-made service and the ability to spot and seize opportunities together with our partners and customers has made Uhrenholt a preferred business partner for many years.

Our partners and customers benefit from the Uhrenholt extensive global network of selected suppliers. This enables us to offer unique tailored food solutions across the entire portfolio.

DAIRY

We supply a full range of dairy products sourced from around the world. To obtain the best quality, we aim to source cheese from local origin. All products are packaged in various shapes and sizes according to consumer and market needs.

At our Grøndal Dairy we produce approx. 5,000 tons per year of cheeses like Fontina, Havarti and Kefalotyri. The Uhrenholt dairy portfolio also contains whey products, lactose, butter, yogurt, UHT-milk and cream.

FRUITS AND VEGETABLES

Uhrenholt is a proud supplier of delicious fruits and vegetables. In keeping with our focus on healthy-living, we are offering a range of fruit and berry products. This also includes smoothies and dairy-based products.

We offer a range of classic vegetables individually quick-frozen, for example peas, peas & carrots, sweet corn, beans and mixed vegetables. In addition, we have an exciting range of different vegetable mixes, grilled vegetables and breaded onion rings.

In dairy as well as in fruits and vegetables we have introduced a range of organic products and this year we have added a number of non-dairy vegan products to our portfolio.

For more information about Uhrenholt please visit uhrenholt.com.



OUR VISION AND VALUES

Being part of a worldwide food industry, we touch many lives in one way or another on a daily basis. We want to continuously improve our business and the way we navigate in the global market place.

We firmly believe that our shared corporate values serve as a compass and lead the way for our actions and daily work. We strive to follow them in everything we do to the benefit of our customers, our employees, our business and society as a whole.

WINNING

We value partnerships and win-win solutions in everything we do – when we develop great products, provide service to our customers and work together with suppliers. Our goal is to create an environment where we are inspired to perform our very best together.

PARTNERING

Our business is based on long-term partnerships with customers and suppliers around the world. We strive to add value in our partnerships by continuously exploring new opportunities and by working together to create mutual, sustainable value.

EXCELLENCE

Professionalism and commercial excellence is the foundation for our behaviour internally and externally. We deliver results through strong solutions for our customers and our organisation.

PASSION

We are passionate about food and enjoy an exciting and dynamic atmosphere in our daily work. Our enthusiasm is reflected in our way of working with markets, products, partners and colleagues.

To create attractive food solutions, we firmly believe in strong partnerships and networks, and for 40 years this has been our main focus around the world.

We are a partnership-driven corporation and consider knowledge-based partnerships as the core of our business engine. Through close cooperation with our partners, we are able to deliver a wide variety of competitive, high-quality goods and services to a global audience. A value chain of the best companies working closely together for a common goal is always stronger than any individual company by itself.

Partnership for Growth

Teaming up with the best players in the market enables us to collectively add value and growth to our mutual businesses. That is why we strongly promote Partnership for Growth, through which we create easy, fast and efficient access to affordable and attractive food solutions. We are able to do so because we are independent, market-driven and have strong, global partnerships.

THIS IS OUR PARTNERSHIP PROMISE

Attractive Products and Tailored Solutions

We aim to grow our partners' businesses by identifying consumer needs, providing attractive food products and flexible solutions according to market demand.

Attractive Business Opportunities

We help to grow our partners' businesses by developing attractive market opportunities and making the route-to-market more efficient.

CSR FOCUS AREAS

Our philosophy is to use our global network to learn from and influence all partners involved.

We will build bridges between our different projects making sure that we bring out the best practice to all corners of the world. We will take the role also as the link between producers and customers/end-users. Our ambition is to invent sustainable solutions with the highest food safety standards that respect the Global Compact principles of human rights, labour, environment and anti-corruption.

The ten principles of Global Compact complement our work and activities and therefore we describe our progress and efforts in these areas.

HUMAN RIGHTS

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

Make sure that they are not complicit in human rights abuses.

LABOR

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

The elimination of all forms of forced and compulsory labor;

Principle 5

The effective abolition of child labor; and

Principle 6

The elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

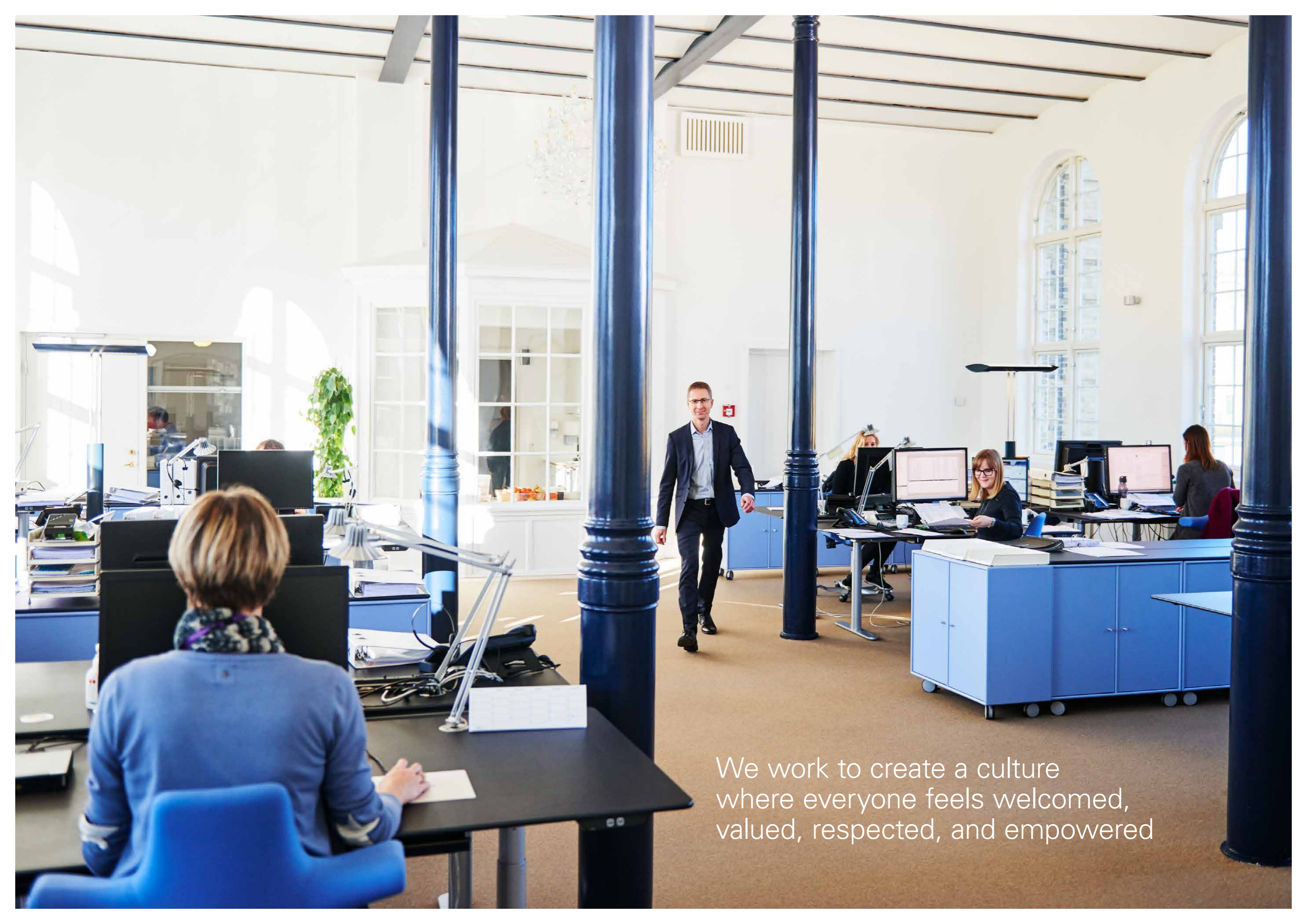
Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

BUSINESS ETHICS

Principle 10

Businesses should work against corruption in all its forms including extortion and bribery.



We work to create a culture where everyone feels welcomed, valued, respected, and empowered

LABOR / HUMAN RIGHTS

AN INCLUSIVE AND DIVERSE CULTURE BASED ON VALUES

In Uhrenholt we harness our people's diverse experiences and backgrounds to better understand the needs of global customers, drive innovation, and enhance employee engagement. We work to create a culture where everyone feels welcomed, valued, respected, and empowered.

Diversity has always been an important trademark of Uhrenholt. We are represented in more than 20 countries and have 25 nationalities employed. We want to reflect the variety in society in terms of culture and way of thinking.

At the same time our focus is on ensuring that our partners, customers and consumers experience a high level of service whoever they address.

In Uhrenholt we want to promote not least gender diversity at all levels of management. In 2015 we reached our goal to increase the proportion of female managers to at least 40% and we are close to reaching our goal of 25% female directors.

We continuously focus on upgrading the competences among the sales force. Internal and external people within commercial sale have been through our internal Uhrenholt sales training course – these costs are not part of the figures invested in education and training.

After finishing the course, the skills are maintained through consistent and structured follow-up by the trainer and the board of directors.

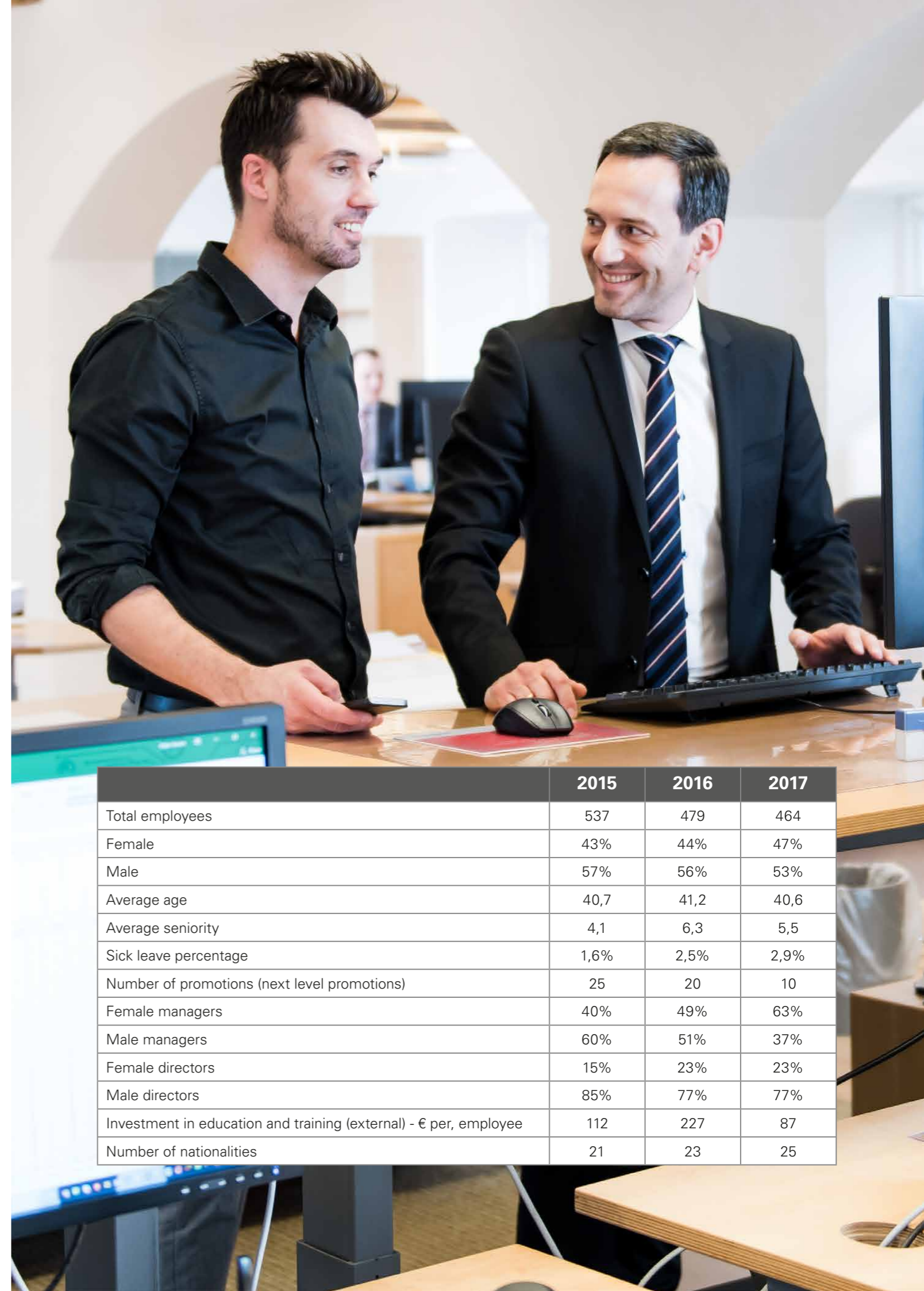
FLEXIBLE WORKING

We respect and care for each other through an open environment that offers our employees opportunities to learn and grow. Open communication within offices and across countries, helps us work well together and always strive to do the right thing. Collaboration is at the heart of our culture.

Uhrenholts technologies enable people to collaborate with colleagues around the world. Employees share ideas, brainstorm solutions, and recognize achievements to help us succeed together.

Our Global Brand Team is just one example. It was established cross regions to collaborate on new initiatives and ensure knowledge sharing globally, thereby creating a level playing field regarding new product introductions, sales and marketing. By conduction monthly conference calls the team ensures dissemination of information and alignment on joint decisions going forward aiming to achieve greater focus, synergy and added value to each employee, our company and our partners.

Generally, our technologies promote flexible working that can enhance health and well-being by enabling people to better balance work and personal commitments. In addition, flexible work practices also help us meet our environmental goals by reducing the need for air and car travel.



	2015	2016	2017
Total employees	537	479	464
Female	43%	44%	47%
Male	57%	56%	53%
Average age	40,7	41,2	40,6
Average seniority	4,1	6,3	5,5
Sick leave percentage	1,6%	2,5%	2,9%
Number of promotions (next level promotions)	25	20	10
Female managers	40%	49%	63%
Male managers	60%	51%	37%
Female directors	15%	23%	23%
Male directors	85%	77%	77%
Investment in education and training (external) - € per, employee	112	227	87
Number of nationalities	21	23	25



STUDENT WORK AND INTERNSHIPS

At Uhrenholt we continue our work in educating apprentices in 2-year apprenticeships. Approx. 80 apprentices – 3-4 at a time - have over the years been trained, primarily within sales, sales coordination, purchasing, finance and media graphic design.

We strive to maintain some of the apprentices in the company after finishing the apprenticeship and giving them the possibility to grow and make solid careers.

Besides the apprenticeship program, Uhrenholt offer students at universities and business schools and recent graduates the possibility for writing their master thesis with our assistance or giving them the possibility for shorter or longer internships at our HQ or at one of the regional offices. This teaches them to put theory into practice and give them a better understanding of the work life they are about to enter.

FIRST AID AND DEFIBRILLATOR

More and more companies choose to invest in an AED (defibrillator). Shock from an AED is the most effective treatment of heart failure and increases the survival chances significantly.

Every minute is vital when someone suffers a cardiac arrest - and it happens for approximately 3,500 Danes outside the hospital every year.

At Uhrenholt's head office and at our Danish department in Aalborg, we have set up AEDs. These are also registered on TrygFondens list of AEDs in Denmark which means that other people can find them in emergency.



SUPPLIER MANAGEMENT

UHRENHOLT COOPERATES WITH A GLOBAL NETWORK OF SUPPLIERS

It is crucial that our suppliers demonstrate professional care for our interests ensuring that products delivered to Uhrenholt are safe and produced under secure and responsible conditions in all aspects.

Therefore our suppliers undergo critical risk assessment regarding food safety, quality assurance and corporate social responsibility including elements which are part of our AEO approval.

Risk assessment of suppliers is based on the following criterias:

- Duly signed "Uhrenholt Supplier Requirements"
- Level of food safety and quality assurance management at the supplier
- Food safety risk profile of the products to be produced by the supplier
- Country of production
- Brands to be produced at the supplier / overall commercial impact for Uhrenholt

Based on risk assessment, onsite audit at the supplier's production and storage facilities can take place by Uhrenholt to ensure compliance with our requirements.



UHRENHOLT SUPPLIER REQUIREMENTS COVERS THE FOLLOWING ELEMENTS:

FOOD SAFETY AND QUALITY ASSURANCE:

- Compliance with laws and regulations
- Food safety management system
- Product specification
- Food contact packaging materials
- Genetically Modified Organism (GMO)
- Irradiation
- Allergens
- Chemical, physical and microbiological contamination
- Certificate of Conformance COC / Certificate of Analysis COA
- Handling of claims
- Crisis management and recall/withdrawal of products

CORPORATE SOCIAL RESPONSIBILITY:

- Human rights
- Labour standards
- Environment
- Workplace environment
- Anti-corruption

AUTHORISED ECONOMIC OPERATORS (AEO):

- Secure premises and conditions
- Reliable staff
- Protection against unauthorised interference

Uhrenholt prefers suppliers holding a food safety certificate approved by GFSI (Global Food Safety Initiative) like BRC Global Standard, IFS Food Standard, FSSC 22000, SQF 2000 level 2 and others.

Suppliers not holding a food safety certificate approved by GFSI are required to answer the Uhrenholt Supplier Self-Assessment Questionnaire which could very well be followed by an onsite audit.

The Uhrenholt supplier network is continuously developing and consequently the supplier risk assessment and approval process is ongoing.

Per 31.12.2017 the following numbers of our suppliers have signed the Uhrenholt Supplier Requirements and passed our supplier risk assessment:

- 90%** of the total number of suppliers (75% in 2016)
- 92%** of the top 100 suppliers measured on purchase value (86% in 2016)
- 97%** of the suppliers representing 90% of the GM (96% in 2016)

In 2018 our goal is to increase further the number of suppliers who have signed the Uhrenholt Supplier Requirements and passed our supplier risk assessment:

Suppliers who have signed the Uhrenholt Supplier Requirements and passed our supplier risk assessment	2015	2016	2017
% of total number of suppliers measured on purchase value	71%	75%	90%
% of the 100 suppliers measured on purchase value	91%	86%	92%
% of the suppliers representing 90% of the GM	91%	96%	97%

ENVIRONMENT AND CLIMATE

At Uhrenholt we want to minimize our impact on the environment which means that we always are looking for sustainable and environmental friendly solutions and routes-to-market.

Environmental responsibility is a moral obligation for any commercial business. Protection of our nature including biological diversity on earth is an important issue when reviewing different business areas.

Uhrenholt follows the environmental legislation in the countries we are placed, but acknowledge that our responsibility includes our business in other countries and an effort for further improvement.

Our company structure leads to different areas on which we can influence the environment. These include our offices around the world, our cooperation with food producers and suppliers worldwide and of course our own dairy plant Grøndal.

SUSTAINABLE PALM OIL

The Roundtable on Sustainable Palm Oil (RSPO) unites stakeholders from the palm oil industry: Oil palm producers, processors or traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organisations (NGOs), to develop and implement global standards for sustainable palm oil. The RSPO has developed a set of environmental and social criteria which companies must comply with in order to produce Certified Sustainable Palm Oil (CSPO). When they are properly applied, these criteria can help to minimize the negative impact of palm oil cultivation on the environment and communities in palm oil-producing regions.

The RSPO has more than 1,700 members worldwide who represent all links along the palm oil supply chain. They have committed to produce, source and/or use sustainable palm oil certified by the RSPO. Totally 20% of palm oil globally is certified by RSPO (2015).

Palm oil is used in some Uhrenholt products mainly because of excellent technical functionalities of palm oil in many food applications. Our aim is to use Certified Sustainable Palm oil wherever possible. This work continues together with our suppliers in 2018.

HEALTHY LIVING

EMBORG IS FOCUSING ON INNOVATION (AND FULFILLING THE GROWING TREND OF "HEALTHY LIVING")

With the growing health-consciousness of consumers, we face an increased demand for efficient and functional healthy products that can fit easily within a healthy lifestyle. As a market leader we are committed to respond to our global consumers' emerging needs for a healthier lifestyle.

A WIDER ORGANIC EMBORG ASSORTMENT

Since we became members of Denmark's two leading trade organisations, Økologisk Landsforening (Organic Denmark) and Bio aus Dänemark, back in 2015 we have experienced a continued growth in production and an increase in sales of organic dairy products. As a result, today we are representing a wide range of Danish-produced organic dairy products that we are mainly selling in the Scandinavian countries as well as in Germany. In addition to this, in 2017 we launched our first Emborg organic vegetable products worldwide and have benefited from the rising demand within this category – so that this year we are able to launch additional products within our Emborg organic assortment.

EMBORG ARE NOW EXTENDING WITH VEGAN (SUITABLE) PRODUCTS

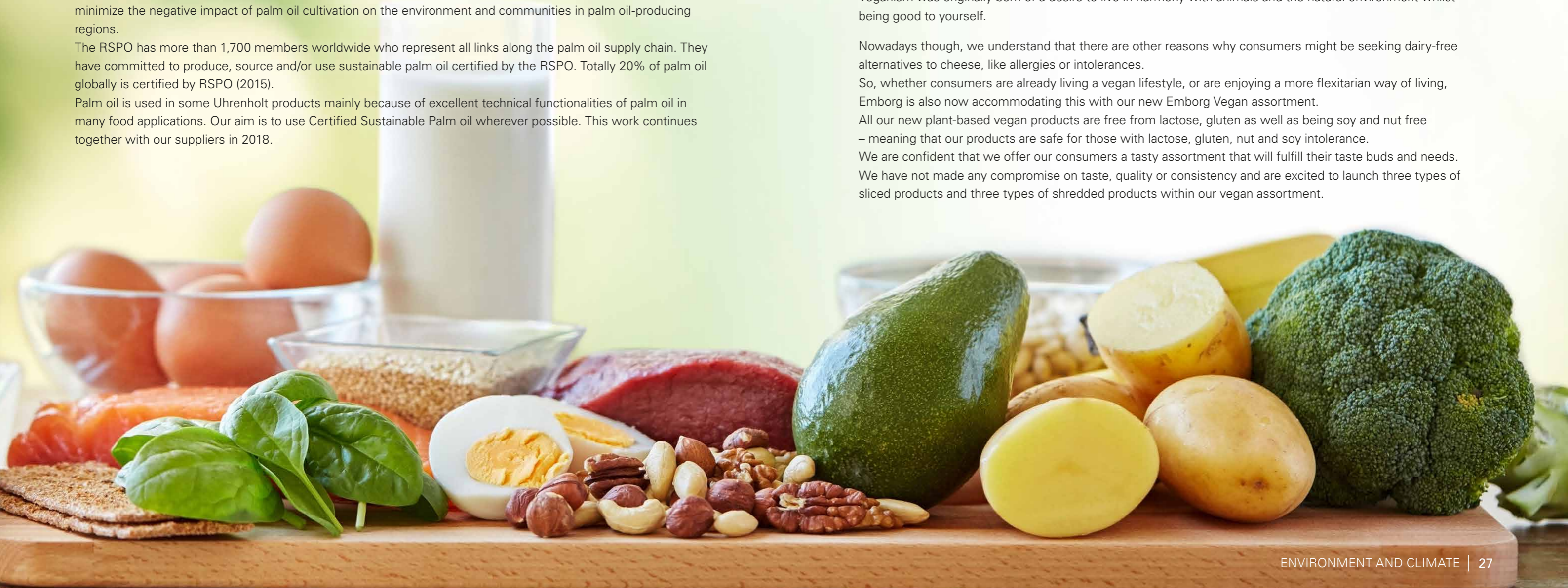
Veganism was originally born of a desire to live in harmony with animals and the natural environment whilst being good to yourself.

Nowadays though, we understand that there are other reasons why consumers might be seeking dairy-free alternatives to cheese, like allergies or intolerances.

So, whether consumers are already living a vegan lifestyle, or are enjoying a more flexitarian way of living, Emborg is also now accommodating this with our new Emborg Vegan assortment.

All our new plant-based vegan products are free from lactose, gluten as well as being soy and nut free – meaning that our products are safe for those with lactose, gluten, nut and soy intolerance.

We are confident that we offer our consumers a tasty assortment that will fulfill their taste buds and needs. We have not made any compromise on taste, quality or consistency and are excited to launch three types of sliced products and three types of shredded products within our vegan assortment.



TRANSPORT

Uhrenholt has a huge focus on optimizing the transportation need and aim for using the most direct way to the customer, which gives the lowest impact on the environment with less CO2 emission. There is an increased focus on developing more environmental trucks, and the trucking companies we are using must live up to the CO2 norm valid for the involved countries.

A big part of our volumes is shipped in containers by sea, and the vessel operators have a big focus on using fuel with less climate impact, and further developing vessels which have a very low fuel consumption.

In a still increasing number of countries, the authorities are implementing rules demanding for the use of low sulphur fuel, with a lower impact on the climate. This makes the use of transport by sea even more environmentally friendly.

FOOD WASTE

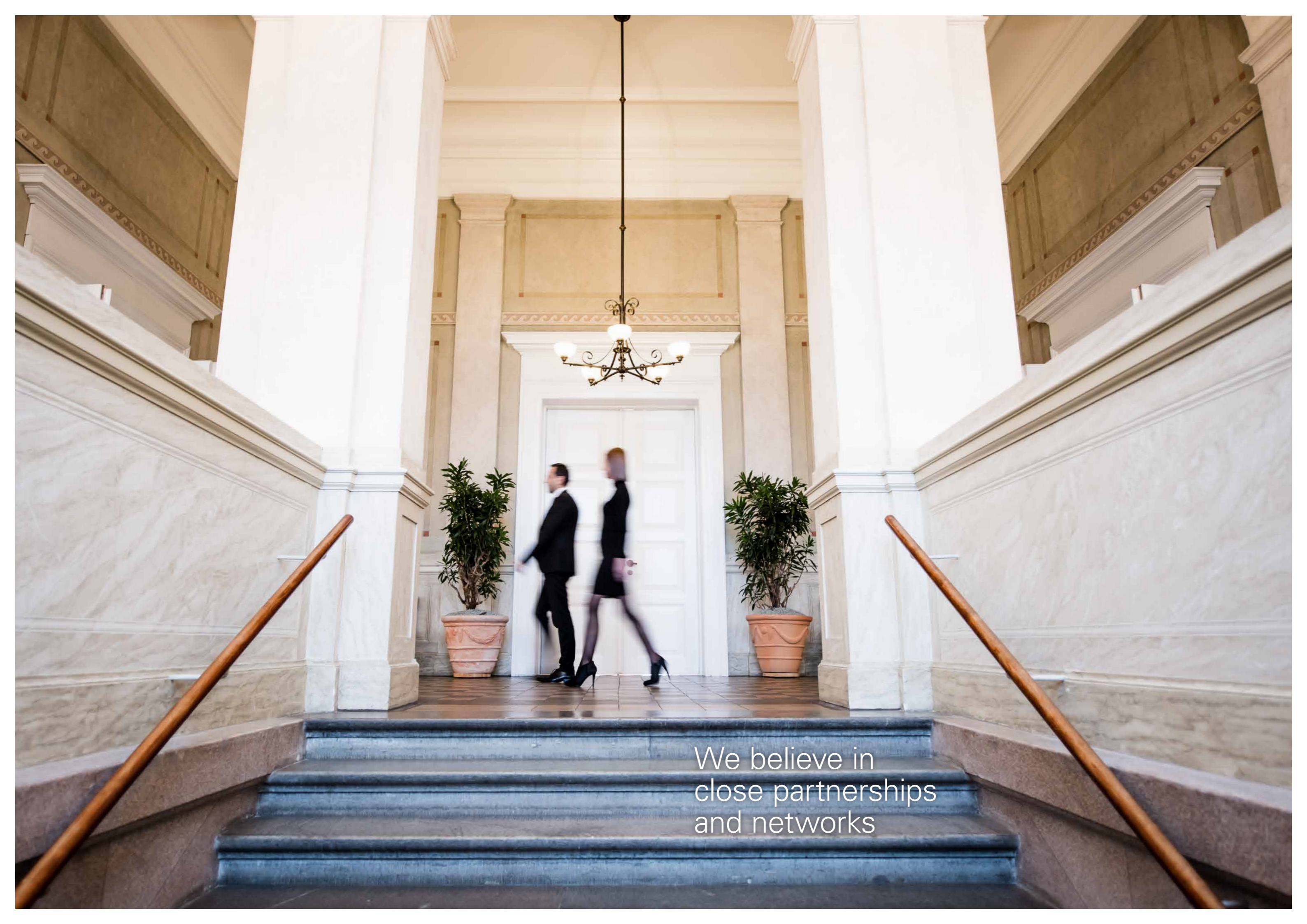
Avoiding food waste is essential in our private household but also at Uhrenholt we care.

With almost 150 items, 9,000 MT being rotated yearly through our warehouse in Padborg and distributed to more than 50 countries worldwide, it is unavoidable that some volumes do not get rotated within sufficient time to live up with customers shelf life requirements.

Together with the warehouse Uhrenholt has found a local organisation which helps the homeless and families in need. They cook a daily meal for the homeless and make sure to distribute any access food to families in need.

When we at Uhrenholt have some products which are close to expiry we inform the warehouse to give these products away. This way we help people and families in need and we avoid food waste.





We believe in
close partnerships
and networks

GRØNDAL DAIRY

Since 2012, Grøndal Dairy has maintained certification in concordance with FSSC 22.000. As a result of the certification and the work with continuous improvement of quality and food safety, the dairy has had success in:

- Upgrading the whole organisation with knowledge and awareness on food safety
- Signal that our management system to control food safety is in place and up to date
- Ensuring ongoing focus internally on continuous improvements

The work continues towards improvements to maintain the highest food safety and quality of the products.

We are constantly developing our cheese production facilities at Grøndal Dairy.

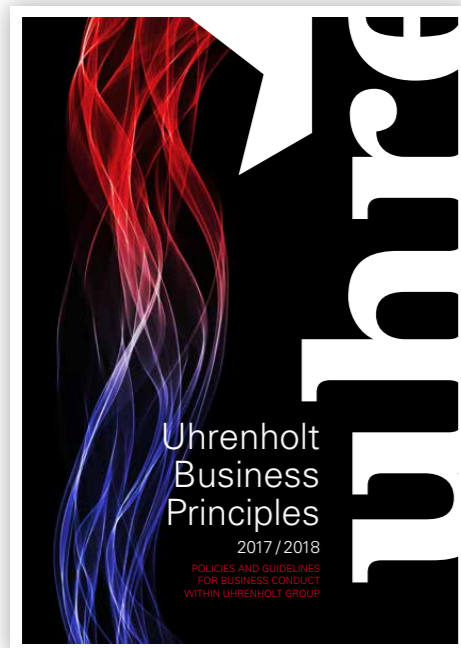
In August 2016 we implemented a new whey concentration plant to utilize the biproduct from the cheese production in the best possible way. It allows us to recycle whey in a much more sustainable way as it is changed into a valuable raw material.

However, regarding the benchmark of our use of energy, water resources, CO2 emissions and garbage production, this new equipment of course distort the image of 2017 compared with the previous year.

Cheese production in 2017 was slightly lower than in 2016 but at the same time we had a full year with retentate (whey concentrate) production.

RESULTS 2017

	Production 2016	Production 2017	
Cheese	4,705 m.t.	4,331 m.t.	-7.9%
Whey concentrate	2,539 m.t.	6,997 m.t.	+276.6%
	Total use 2016	Total use 2017	Use 2016 vs. 2015 pr kg cheese produced
CO2	1,336 Mt	1,348 Mt	+12.7%
- Electricity	2,955 Mwh	2,983 Mwh	+8.8%
- Gas	518,280 Nm3	573,478 Nm3	+16.8%
Water	108,649 m3	115,112 m3	+13.1%
Waste	91,920 kg	77,010 kg	-9.8%



BUSINESS PRINCIPLES

The core competence of Uhrenholt is the ability to source, sell, distribute and market food products in a way that respect all the regulations and red tape that follows international food business. It is our promise to our stakeholders, partners, consumers and the societies in which we operate that we continuously develop our procedures to maintain this status.

The traditional skills required of the individual trader remain – but every day the surrounding commercial world changes and the administrative burden is increasing. To cope with this our Uhrenholt Business Principles for internal use serves to frame and codify our key commercial rules and habits.

All together the Uhrenholt Business Principles concerns the way we care about our image, brands, employees, compliance, documents and not least our money. As more colleagues join our company across our global market the Uhrenholt Business Principles also clearly define how we expect employees to behave, act and work together internally and externally.

It is reviewed regularly and employees are urged to familiarize with those parts that are relevant in their specific position.

CODE OF CONDUCT

As we operate in more than 80 countries it is only natural that employees working in the frontline find our business ethics challenged from time to time. It is of paramount importance that all employees share Uhrenholt's interpretation of moral and ethical values. Serving as an educational tool, as a moral obligation and as a support in daily decision making our Code of Conduct is perceived as an important tool. All employees have signed the Code of Conduct.

Uhrenholt will continuously seek to improve the level of business ethics even further. We care about choosing business partners, whose business standards and ethics match ours. Being a global trading company we inevitably also operate in a number of countries that according to the corruption index developed by Transparency International are high risk areas.

There is a close link between these Business Principles and our Code of Conduct.

UHRENHOLT A/S IS AN AEO CERTIFIED COMPANY

In December 2012, Uhrenholt A/S officially received the AEO certificate proving our status as an Authorized Economic Operator (AEO). In 2017 our compliance has been reviewed and sustained by the Danish Tax Authorities.



The AEO certificate confirms that Uhrenholt A/S is a reliable partner in all economic, custom and safety related operations. Uhrenholt A/S meets all the common criteria regarding:

- security and safety standards
- record of compliance with customs requirements
- satisfactory system of managing commercial and transport records, which allows appropriate customs controls
- proven financial solvency

To the benefit of our partners, the AEO certificate allows goods handled by Uhrenholt a preferential treatment in certain procedures of customs control of goods and documents. First of all at the EU level, but in the long term it will become much more global. So far mutual recognition is in place with USA, China, Japan, Norway and Switzerland.

Uhrenholt is among the frontrunners in the Danish food sector to obtain the AEO certificate and as such we are in due time to face the future. Companies with AEO status are recognized as safe, secure and compliant business partners in international trade.

FRAUD FIGHTING

Unfortunately attempts of fraud and scam have become part of daily life in the international food sector trading. To combat these crimes and protect members and their partners against identity theft and fake companies Eucolait – the European organisation of trading companies in the dairy sector – has initiated a warning system.

All members are strongly encouraged to share any information about fraud cases as quickly as possible with the Eucolait secretariat for further distribution among the members.

In Uhrenholt we fully support these efforts.

PARTNERSHIP DEVELOPMENT

COLD CHAIN IN AFRICA

Year by year we increase and develop our activities and collaboration with partners primarily in Africa. In 2012 we launched our unbroken cold chain project in Africa. Ever since it has been developed further and today freezers have been distributed to local business partners in 11 countries.

THE PROJECT CONTINUOUSLY AIMS AT:

- Improving food safety and developing our access to market
- Allowing the retail stores to store frozen products correctly and offer products from an unbroken cold chain
- Allowing our local business partners to offer a broader range of products, which are stored correctly and with due respect to food safety principles
- Supplying freezers that have been assessed from an environmental view to avoid excessive electricity consumption
- Providing freezers that are purchased and serviced locally

The envisaged target of creating 2-3 more workplaces per country involved has been achieved.

LOCAL PRODUCTION

Assisted by the Danida Explorer program we were able to make further progress in our efforts to complement our exports to the African market with products sourced and processed locally.

We aim for partnerships with local dairy companies that are likely to have access to increasing amounts of raw milk and who we can join to develop the African dairy market in terms of scale, assortment and quality.

The Explorer project enabled us to map the opportunities in the East and South African region for local processing of dairy products based on local raw material to be marketed at payable prices.

Realization of local production in Uhrenholt brands will initially focus on long shelf life liquid products – white milk, flavored milk and yoghurt. Cheese is an option for the long term but is a much more demanding challenge.

We gained our first experiences from a smallscale production in Kigali, Rwanda that was started in 2016.

Today we are exporting UHT-milk from Rwanda to Uganda and Tanzania. Next step will be realized in 2018 with production in Nairobi, Kenya. In cooperation with our local partner we plan to market 20 SKUs within the categories white milk, flavoured milk, drinking yoghurt and yoghurt.

There is a huge potential for the local farmers and industries to grow in these regions and increase self-sufficiency. However, it takes time and patience to build the necessary bridges to develop trustful partnerships and joint ventures between low technology local industries and external investors.

CHARITY

THE 2017 UHRENHOLT CHRISTMAS DONATION

By tradition, Uhrenholt donates DKK 100,000 to a humanitarian cause rather than giving away Christmas presents.

This year, the donation went to WWF (World Wide Fund for Nature), which is the world's leading conservation organisation working in over 100 countries. WWF's unique way of working combines global reach with a foundation in science, involves action at every level from local to global, and ensures the delivery of innovative solutions that meet the needs of both people and nature. The Uhrenholt donation was given to a Major Donor Group programme that seeks to support the goals of WWF Denmark's new strategy 2018-2021.

PROGRESS 2017

FOCUS AREA	ACTIVITY AND GOAL 2017	RESULT 2017
Business Ethics		
Uhrenholt Business Principles	Written catalogue evaluated and updated for stakeholders and employees	✓
AEO certificate	Maintenance and renewal	✓
Labour/Human rights		
Supplier Management	Further improve the score of suppliers who have signed and perform in accordance with the Uhrenholt Supplier requirements	90 % of the total number of suppliers (75% in 2016) 92 % of the top 100 suppliers measured on purchase value (92% in 2016) 97 % of the suppliers representing 90% of the GM (96% in 2016)
Gender diversity	Reach our goals of <ul style="list-style-type: none"> • 40% female managers • 25% female directors 	✓ (almost)
Partnership Development		
Accommodate customers religious and cultural preferences	Enhance our conscious approach to halal and kosher products to accommodate religious and cultural preferences of customers	✓
Cold chain Africa	Continue to expand and develop business through the cold storage facilities	✓
Local sourcing Africa	Make at least one more partnership ready to fly in 2017	✓
Donation	The annual Christmas donation given to WWF Denmark	✓
Environment/Climate		
Grøndal Dairy	New whey concentration plant into use to add value to the biproduct and recycle it in a more sustainable way	✓
Organic	Further develop our organic assortment	✓

CSR 2018

FOCUS AREA	ACTIVITY AND GOAL 2018
Employees	
Global HR-strategy	Define and begin implementation including leadership development, competence development, talent management and succession planning
Internships	Allowing university students and recent graduates the possibility for shorter or longer internships at our HQ or at one of the regional offices
Business Ethics	
Uhrenholt Business Principles	Written catalogue to be evaluated and maintained annually
AEO certificate	Recertification and audition expected in 2018
Human Rights/Labour	
Uhrenholt Quality Assurance for suppliers	Further improve the score of suppliers who have signed and perform in accordance with the Uhrenholt Supplier requirements
Environment/Climate	
Grøndal Dairy	Review the 2020 environment goals and action plan after the implementation of our whey concentration plant
Organic	Further develop our organic assortment in dairy and frozen vegetables
Vegan	Launch our assortment of dairy free alternatives
Partnership Development	
Local sourcing	Further identify and implement local sourcing in selected key markets
Accommodate customers religious and cultural preferences	Enhance our conscious approach to halal and kosher products to accommodate religious and cultural preferences of customers

THANKS

The CSR team would like to thank all partners and employees for inspiration and support to the 2017 CSR report.

Special thanks to

Christa Desberg and Pia Mathiasen for again giving assistance to complete the report.

The CSR team 2017

Kate Bonne Larsen (Group HR)

Mette Møller Sørensen (Quality Assurance)

Charlotte Kaasing Skougaard (Global Trading)

Anette Gjørtsvang Kock (Legal and Risk Management)

Edgar Marchl (Procurement)

Jørgen Jeppe Hansen (Transport)

and Keld Winther Rasmussen (Global Trading, editor).