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B&S**

UN GLOBAL COMPACT

Communication on Progress

Reporting period: February 2018- April 2019

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1. STATEMENT OF CONTINUED SUPPORT FROM THE CEO

On behalf of B&S Group S.A.



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UN Global Compact COP

Dordrecht, the Netherlands, May 2019

Dear Mr Secretary-General and other stakeholders,

B&S highly values the engagement with its various stakeholders. The partnerships we form with our suppliers and customers are essential to our successful long-term growth. In delivering our products, we adhere to strict standards regarding food safety and customs compliance and seek to minimise the impact we have on our environment.

B&S is a value adding distribution partner of Consumer Goods in specialised niche markets worldwide. We provide capillary distribution services for hard to reach locations including Maritime, Remote and specific Retail (B2B) markets in over 100 countries.

2018 was in many ways an important year for B&S. We made many changes to allow for performance improvements and facilitate sustainable growth on all levels. Moreover, since early 2018 our parent company B&S Group became a listed company at the Amsterdam Stock Exchange. This listing has raised our company profile, which is particularly beneficial in executing our medium and long sustainable growth strategy.

B&S is highly committed to maintain high ethical, social, environmental and governance standards and creating sustainable value for all our stakeholders. In order to advance our commitment to sustainability and corporate citizenship, we signed up as a member of the United Nations Global Compact in September 2010. Being part of the UN Global Compact highlights our commitment to the ten universally accepted principles in the areas of human rights, labor rights, the environment and anti-corruption.

With this letter I am pleased to reiterate our continued support for the principles of United Nations Global compact (UNGC). We intend to continue to embrace, support and implement these principles within our sphere of influence. We remain committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our Company. We support accountability and transparency. Our Company continues to make a clear statement of its commitment to our stakeholders and the general public.

On behalf of B&S Group

J.B. Meulman
CEO

BANK : Deutsche Bank Nederland
BIC : DEUTNL2N
IBAN : NL15DEUT0629010684
V.A.T. No. : NL0012.24.438B01

To all agreements whereby we act as seller our general terms and conditions of sale, delivery and payment apply, and to all agreements whereby we act as buyer our general terms and conditions of purchase apply, which you have received from us and which are published at www.bs-gg.com. These terms and conditions include a governing law- and jurisdiction clause. We expressly reject the applicability of your terms and conditions.

2. INTRODUCTION AND SCOPE OF COP

B&S B.V. (B&S) is a value adding distribution partner for consumer goods in attractive channels and across specialised markets globally. With a well-trained and experienced workforce, B&S serves as a trusted and reliable partner in selected channels and markets, providing essential distribution services, solving supply chain complexities and offering compelling value along the value chain.

We continuously strive to be an entrepreneurial, well-respected and trustworthy organisation that makes a sustainable contribution towards the societies in which we operate. In the interests of our stakeholders and ourselves we further maintain the highest ethical standards in all aspects of our business with high respect to Human Rights and Labour conditions.

In accordance with legal regulations, it is the responsibility of our company to strive continually to apply sustainable practices to rank among the leading enterprises in our industry.

In this Communication on Progress, we provide an update of our activities and measurement of outcomes in respect of the 10 UN principles by reflecting on the reporting period February 2018 to April 2019.

This report also contains information about our corporate profile, including our corporate structure, strategy, business model, the markets we serve, our assortment, our DNA, and financial highlights of B&S.

We have also included our Corporate Social Responsibility policy where we show our commitment to the ten universally accepted principles in the areas of human rights, labour rights, the environment and anti-corruption by incorporating these principles in our own policy and encourage our stakeholders to embrace them as well.

3. CORPORATE PROFILE

3.1. Corporate structure

B&S is one of the three main business segments of B&S Group S.A. (B&S Group, The Group). The HTG Segment is a global distributor of Liquors and Health & Beauty products to specialty channels. The B&S Segment specialises in capillary distribution services and single source supply of consumer goods. The Retail Segments specialises in operating retail shops at local and international airports and away from home locations.

Further information about the corporate structure of B&S Group can be found in the [B&S Group S.A. Annual Report 2018](#) and on the company's website, www.bs-group-sa.com.

B&S has a registered address at Rijksweg 7, Dordrecht, the Netherlands. The Company is registered with the Chamber of Commerce in Rotterdam, the Netherlands under number 24225407. B&S consists of specialised business units, each focussing on specific market segments; namely Maritime, Remote and B2B Retail.

3.2. Who we are and what we do

B&S is a value adding distribution partner for consumer goods in attractive channels and across specialised markets globally. With a well-trained and experienced workforce of over 2000 employees, we serve as a trusted and reliable partner in selected channels and markets, providing essential distribution services, solving supply chain complexities and offering compelling value along the value chain.

B&S operates a flexible, well-invested and highly efficient distribution platform that comes with strong barriers to entry. Powered by high capacity warehouses and delivered with expertise in customs and compliance, B&S offers a wide and relevant assortment to its customers in more than 100 countries. B&S is focused on continued growth in all product categories, on expanding to new geographies and on value chain integration.

We add value to both customers and suppliers by making their interests converge.

We focus on serving distinct niche markets worldwide that are generally difficult to serve efficiently due to their specific demands and characteristics. We provide tailored solutions throughout the supply chain, linking suppliers and customers who would otherwise find it difficult to connect.

We engage in mutually beneficial relationships with our suppliers, seeking to simplify the supply chain while enabling them to expand their business by giving them access to niche markets, market intelligence, customer expertise and marketing support. And with an automated procurement platform, we can connect

a broad supplier base directly to our customers. Our suppliers include brand owners, producers, wholesalers and distributors and international retail chains.

We offer our B2B customers a portfolio of over 30,000 products at competitive prices, while adhering to strict compliance standards and arranging customs handling and transportation to locations that are often hard to reach. Our B2B customers include specialty retailers, maritime operators and entities with remote operations.

For our B2C customers, in specialty retail markets, we add a powerful focus on marketing to our procurement and logistics skills, delivering value immediately to the end-customer. Combining this with our scale and sourcing expertise as specialty distributor, we distinguish ourselves from competition by providing end-customers with a relevant assortment that is available on demand and at attractive prices.

3.3. Our strategy

Our strategy is based on adding value for both our customers and suppliers by making their interests converge. We strive for continuous improvement in efficiency and economies of scale. We invest in logistics concepts and IT solutions, realising a modern and innovative supply chain and efficient central information management. We realise economies of scale by combining segmental purchase activities to facilitate bulk purchasing, and our sourcing activities anticipate regional cost imbalances. We focus on proving value-adding services to and forging long-term partnerships with both suppliers and customers, both based on expertise and engagement. We provide our customers with a total service that includes client support, customs handling and transportation.



We fulfil multiple roles in the supply chain for diverse markets and regions and serve a wide client portfolio with diverse product categories. Our diverse product assortment enables us to act as a one-stop-shop for our clients, while our diversity in market regions and client portfolios enables our suppliers to launch their products in markets that would otherwise be difficult to reach.

We aim to create long-term value for our stakeholders by pursuing sustainable and profitable growth. With roots going back to the year 1872, when one of our anchor companies was founded in the Netherlands, we have built a strong track record. We are well positioned to capture growth opportunities organically and through strategic mergers and acquisitions.

3.4. Our business model

Our business model, based on adding value to both our suppliers and customers, has led to strong growth in our selected markets and channels and allows us to continuously develop new business opportunities.



WE SOURCE



WE SERVE



WE SUPPLY

As a provider of specialty distribution services, our focus is on leading positions in attractive channels and captive markets. They all share the common characteristic of being difficult to serve, either due to geography, remoteness, extensive regulation, high compliance requirements or due to fast-changing conditions and consumer behaviour.

We Source, We Serve, We Supply

Our proposition distinguishes itself in its high level of complexity, and we are recognised for consistently delivering to the right place, at the right time. Our scale, network and the integrated best-in-class administrative capabilities we use for customs handling and regulatory expertise deliver a unique sourcing and distribution proposition.

Our strong balance sheet provides flexibility to quickly supply and take-in large quantities of products. Our fully bonded supply chain provides us with the ability to leverage our sourcing expertise across borders. We operate warehouses that have a registered status with the Dutch government to store goods under bond. This allows us to distribute our product assortment internationally without having to pay import duties, VAT or excise duties anywhere other than in the end-market.

Our state-of-the-art and integrated platform enables us to act quickly and benefit from sourcing opportunities whenever and wherever they arise. We have full internal price transparency and closely compare sourcing prices, trends, and opportunities across our segments. For the online market, we have an automated procurement platform in place and deliver value to the end-customer by matching their demand with efficiently procured supply.

3.5. Markets we serve

Our operations have a global reach, combining our activities in developed markets with strong positions in emerging markets. We supply a wide range of consumer goods, including liquors, perfumes, cosmetics, food and beverages and electronics to retailers, the maritime sector, remote markets and retail consumers.

The markets in which B&S operates, are generally difficult to serve due to their specific demands and characteristics. Our diversification in specialised markets worldwide limits the impact of local exposure as well as dependency on a single market.

Geopolitical factors such as the persistent division within the European Union, amply demonstrated by Brexit, but also the trade war between the US and China, do have a noticeable impact on a macroeconomic level. B&S is a distributor with a diversified client base located in more than 100 countries worldwide. This allows us to absorb the risks associated with geo-political or other market imbalances with limited impact on our operations and results. Furthermore, our robust and global product categories, with exposure to defensive products such as liquor and perfumes, tend to outperform in times of economic hardship. With wealth increasing on a global scale, there is a growing demand for Fast Moving Consumer Goods (FMCG) and A-branded products worldwide. B&S is perfectly positioned to take advantage of this underlying market growth in the long-term.



RETAIL B2B

We serve

Duty-free and underserved markets worldwide.



MARITIME

We serve

Cruise lines, ferries and ship supply services mainly in Europe.



REMOTE

We serve

Catering service providers for government and defence operations, peacekeeping missions and industrial sites in remote areas worldwide.

In the selected markets we serve, the requirement for specialty distribution models is driven by a number of long-term macro-economic trends:

- Outsourcing and reducing the complexity of distribution by suppliers and manufacturers;
- Ongoing demand for compliance in food safety and customs regulations;
- Continuing growth of the online retail channel;
- Increasing demands of end-customers in online retail.

3.6. Our assortment









Acting as a single source supplier, we offer our clients a wide selection of more than 30,000 products. By offering a broad variety of products, from A-brands through to our own value brand GoodBurry, and from catering sizes through to ready-to-eat meals, we give clients the option to choose the products that best fit their needs. Whether it's food, bonded, non-food, luxury, or electronic items, our clients are free to select what they want, when they want it. Our diverse product assortment enables us to act as a one-stop-shop for our clients, while our diversity in market regions and client portfolios enables our suppliers to launch their products in markets that would otherwise be difficult to reach.

Our global scale gives us access to a vast range of suppliers and products. Combining this with our deep understanding of what drives regional cost imbalances results in continuous assortment and price improvements for our customers. Our focus on digitisation enhances our offering even further and unlocks our assortment to customers in any location, while at the same time enables product showcasing for suppliers on an even larger scale. Our global customer base serves our suppliers in growing their business and developing their brands in non-core markets.

3.7. DNA

Our well-trained and experienced workforce is a key component of our business. The quality and expertise of our employees is critical to building long-term relationships with our suppliers and customers.

We have developed an entrepreneurial and highly motivating culture throughout our organisation, based on the characteristics that form our DNA. These elements are corporate characteristics that differentiates us from any other company.

 <p>Reliable serving our customers with a consistently high level of quality and service that meets or exceeds their expectations</p>	 <p>Successful building on a strong and healthy financial foundation with a long and proven track record in innovative value adding distribution</p>	 <p>Professional selecting prospective employees based on professional characteristics, their potential for development and their ambition to get the job done</p>	 <p>Flexible showcasing client-driven flexibility, dealing creatively and effectively with unusual challenges and opportunities</p>
 <p>Ambitious fostering entrepreneurship and co-ownership in every level of the company to keep up with our increasing scale of markets and customers</p>	 <p>Unique focusing on business diversification and creating synergies between our segments, while combining their volume to strengthen our purchasing power</p>	 <p>Efficient upholding a goal-oriented approach with constant business process innovation that is supported by state-of-the art technology</p>	 <p>Personal concentrating on long-term relationships with suppliers, customers and employees that are based on trust, transparency and understanding</p>

3.8. Financial highlight

(in € 1,000 unless indicated otherwise)	2018	2017
Turnover	445.6	426.0
Gross profit	60.6	63.4
EBITDA	21.5	29.2
EBITDA margin	4.8%	6.9%

3.9. Directors and Management

Executive Board

(on behalf of B&S Group)



J.B. Meulman
C.E.O.



G. van Laar
C.F.O.

Management Team B&S B.V.



M.R. Riegel
Managing Director



M. Faasse
Finance Director



A.R. van der Ster
*Managing
Director Sales*



C.E. van Esch
*Managing
Director Sales*



R. van Aken
*Managing Director
Purchase*



J. Smit
*Managing Director
Logistics*

3.10. Offices and employees

The Company operates from the headquarters in Dordrecht, The Netherlands. B&S also has offices and warehouses in other countries located in Europe and the Middle East. The average number of staff (FTE and temporary) employed by the Company during 2018 was 2000.

4. SUSTAINABLE BUSINESS

Sustainability is a vital part of our corporate culture, which is necessary to continue to increase our long-term success and to minimise our future development risks. Our CSR policy is based on three pillars: Environmental Responsibility, Social Engagement and Economic Enhancement.

Developing and maintaining sustainable relationships with our stakeholders along the value chain is key to our success. The partnerships we form with our suppliers and customers are essential to our successful long-term growth, which is why we are committed to be a responsible, well-respected and reliable organisation, maintaining high ethical standards in all aspects of our business. Our employees are key to maintaining these partnerships, which is why significant attention is paid to providing a safe and secure working environment. In 2018, specific focus areas included corporate Safety & Security and Food safety & compliance.

In the year under review, B&S Group installed a Safety & Security department on a centralised level to support and advise on Safety & Security matters at segmental level, while maintaining focus on the specific characteristics of each of the business segments and operations. The main focus on the department is the wellbeing of employees and protection of information and property. In the year under review, the Safety & Security department put priority on Safety & Health (ARBO), Risk assessment & Evaluation (RI&E), in-house emergency and first-aid service (BHV) and a revised emergency plan, all in close cooperation with the HR, Facility and Logistics departments.

We've created a specific house style and internal campaign to emphasize the importance of safety and security within our organization.



4.1. Environmental responsibility

Our environmental performance is constantly improved by applying sustainable principles along our entire value chain. We strive to reduce and mitigate adverse effects from our activities while ensuring health and safety for our employees.

We strive to reduce and mitigate any adverse effects from our activities, seeking to limit our energy use and CO₂ emissions. We operate efficient warehouses and use modern technology to make the logistics process as efficient as possible. In this way, we minimise our footprint, reduce fuel and cut energy consumption. For example, we use the geothermal energy as a heating source wherever we can. We also seek to generate less waste, reducing, reusing, recycling and improving materials and we carry out energy audits in order to assess and reduce impact on our environment.



4.2. Social engagement

We pursue meaningful social initiatives that improve people's lives by enabling local community and societal participation.

Human rights

Our human rights procedures are firmly embedded in our Code of Conduct, which is applicable to all staff members working within B&S worldwide. Being part of the UN Global Compact highlights our commitment to the ten universally accepted principles in the areas of human rights, labour rights, the environment and anti-corruption.

Our aim is to provide employees with the best possible working conditions. We invest in sophisticated equipment and warehouses to create a safe workplace for our employees, as well as for the partners we work with. We do not tolerate any violation of human rights, and our human rights principles are firmly embedded in

our daily operations in every location where we undertake business. We also think it is very important that all employees enjoy working at our company, that is why we organize several events every year.



Employee empowerment

We provide a workplace that is free from discrimination harassment and victimisation, where everyone receives equal treatment. Our people are given autonomy in performing their tasks, and we encourage them to act as pioneers and entrepreneurs. Keeping a positive working atmosphere is also about creating a healthy workplace, giving people energy and self-confidence. To that end, we provide free access to a gym and organize several sport events each year, encouraging employees to exercise during and after working hours.



Talent development

We maintain close relationships with (applied) universities to spot talent early on and provide students with internships in various disciplines. Furthermore, we organise special Talents Days and other Inhouse Events to give young professionals the chance to meet with B&S. Once on board, we offer young graduated trainee programs in our B&S academy, preparing them to become experts in their field and stimulate their personal growth.

Local development

Our focus lies on improving people's lives through community and societal participation. For example, we provide employees who are disabled or have a distance to the labor market with appropriate functions. We also work with general food associations or food banks to ensure that surplus food, which is too close to its expiration date to be sold, is distributed to those in need. In the event of a major catastrophe or crisis, we help facilitate the transportation of aid to the region in which it has occurred to help alleviate suffering, which we believe is a worthwhile contribution to social development.

4.3. Economic enhancement

We follow strict customer and supplier acceptance procedures and set quality standards that suppliers and customers need to comply with. Implementing these procedures enables us to ensure that compliance is safeguarded along our entire supply chain.

Credit Risk

The aim of our corporate policy is to safeguard our continuity, while maintaining a balance between risk and financial returns. Our strong balance sheet enables us to remain independent and ensure sustainable growth. B&S applies strict internal policies and guidelines regarding credit risk management. All transactions must be secured, either by credit insurance, payment up front or by a secured payment instrument (guarantee or letter of credit).

Currency

B&S deals with risks from transactions in non-Euro currencies by matching incoming and outgoing cash flows as closely as possible in the same currency. Extraordinary currency positions and risks are dealt with at company level by a dedicated treasury department, which uses hedging instruments when appropriate and on a case-by-case basis to mitigate currency transaction risks.

Derivative transactions are subject to continuous risk management procedures. Derivative financial contracts are only entered into with banks that have a good credit rating. In addition, B&S is advised by external parties before entering into a derivative financial contract.

We source and distribute large quantities of goods globally. To reduce risk from currency transactions, we match incoming and outgoing cash flows as closely as possible in the same currency. To safeguard our stability, our treasury department uses hedging instruments. Most of our turnover is in Euros, which is our functional currency. Following the international nature of our business, significant portions of our turnover and expenses are however denominated in currencies other than the Euro. Other currencies used for trading are mainly the US Dollar (USD) and, to a significantly lesser extent, the British Pound (GBP) and the Japanese Yen (JPY). Consequently, our results of operations are affected by translational foreign exchange risk. This affects the comparability of our consolidated financial results.

Long term relationships

B&S's strategy is focused on creating long-term value for stakeholders, by pursuing sustainable and profitable growth, both organic and from acquisitions. We firmly believe that the commitment, involvement and quality of the Executive Board and all B&S employees are decisive factors in the success of B&S, and its ability to maintain its solid position and to continue its strategy. B&S is optimally positioned for further growth as a



unique distributor of consumer goods and further expansion of its leading position internationally with many customers and suppliers. We have those relationships with a variety of customers and suppliers in many countries and are committed to understand and respect these relationships by maintaining an open dialogue.

Know your relation

We apply a strict Know Your Relations (KYR) procedure for the acceptance of new customers, suppliers and other business relations and continuously monitor established relationships on compliance standards by an automated check that is performed on all business relations every two weeks. We have anti-bribery, anti-corruption and anti-money laundering (ALM) policies in place that apply to all our staff, and we expect our suppliers, customers and business partners to adhere to the same standards. Creditworthiness of new relations is checked upfront and their Ultimate Beneficial Owner(s) are checked against the OFAC and the EU Sanctions list. Extensive knowledge of the substance and impact of the Foreign Corrupt Practices Act (FCPA) and UK Bribery Act is embedded at every level of the Company.

Tax Policy

B&S operates in various countries with different tax systems and therefore has regular meetings with tax authorities and consults professional tax experts within different tax disciplines. In 2018, the Group entered into a new transfer pricing agreement with the Dutch tax authorities. This agreement reflects the changed proportions of our business.



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**UNITED NATIONS
GLOBAL COMPACT**
Human rights

5. HUMAN RIGHTS PRINCIPLES

- Principle 1: Business 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.

5.1. Overview

B&S is based in the Netherlands where the majority of our business is directed and where the key office and staff are situated. Besides our Dutch headquarter we are also doing business from our office in Dubai and are active in sizeable operations in Afghanistan and Mali.

B&S adheres to national laws, rules and regulations in the countries in which it is active. All employees are offered the best possible conditions. As a minimum, these conditions exceed the ILO labour conventions. Our company respects human rights and always treats people with respect and dignity.

Our stakeholders respect us because we keep our promises, and act with honesty and integrity by conducting ethical and professional business at all times. We have operations in many countries and goods are transported worldwide. Therefore, respecting human rights is a core part of how we conduct our daily business. We are convinced that the human rights of every individual should be respected, no matter where we do business.

5.2. Assessment, policy and goals

We emphasize our support to the Universal Declaration of Human Rights. The protection of the Human Rights is derived from Group ethics, rules and policies and further based on applicable policies from the ILO and UN conventions, all as far as relevant for the activities of our company and our industry.

Our human rights procedures are firmly embedded in our Code of Conduct. The Code is applicable to all employees; they should understand the principles, procedures and guidelines as laid down in the Code. Employees are expected to work in the spirit of these principles and to actively propagate them to protect and maintain the company's integrity and reputation, regardless of the location in which we operate. This includes ensuring that we are never involved in child labour, nor forced labour. All staff members should understand the principles, procedures and guidelines stated in this Corporate Code of Conduct. It is expected that staff members work in the spirit of those principles and actively propagate them in order to protect or to improve the company's integrity and reputation. In some countries (e.g. Afghanistan where we operate a warehouse), where human rights conditions deviate from those in Europe, we ensure that the same principles are adhered to as to those applicable in the Netherlands.

Company managers are expected to lead according to our standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way communications. Managers must be positive activists and role models and must be diligent in reporting unethical or illegal conduct. Being part of the UN Global Compact highlights our commitment to the ten universally accepted principles in the areas of human rights, labour rights, the environment and anti-corruption.



5.3. Implementation in 2018 - 2019

Topic 1. Procedure review and discussion with senior management on breaches

The company reviews procedures yearly and has discussions between the Executive Board and senior managers on the effectiveness and completeness of these procedures, breaches, and incidents.

Topic 2. 'Local first' policy in Mali / Afghanistan

Our first Malian National as Manager of our PX shop in Mopti is raising the bar. His expertise and know-how contribute to high monthly sales figures for over 4,5 years of operation. We give him training on the job to maintain this growth and expertise. We did the same in Afghanistan. We have hired an Afghan National as QA manager of our local operation, and with his input we have been able to reduce food wastage by an additional 5%. We also hire local staff for our operation, and train them on the job. We really appreciate that locals fulfill these positions in our organization.

Topic 3. Serving MINUSMA in the most efficient way

MINUSMA is one of our most important contracts. We do our best every day to provide our services in the best way. Our PX Express locations in Bamako, Timbuktu, Kidal and Mopti are a huge success and MINUSMA is satisfied with our services, assortment and expertise. We've deployed Malian national staff members in our shops. Their expertise and support has enabled us to bring our shop experience to a whole new level.

5.4. Measurement of outcomes

Human Rights	
Company relevance	Fairly limited, main attention to operations in Afghanistan and Mali
Risk level	Limited to none.
Related UN principles	1 and 2.
Goals	Respect Human Rights. Support the Universal Declaration of Human Rights. No complicity in Human Right abuses.
References and policies	Annual Reports, Corporate Code of Conduct. ILO and UN Labour conventions. Universal declaration of Human Rights. Employee handbooks. Group ethics, rules and policies.

Topic	Action	Outcome
Procedure review and discussion with senior management on breaches	<ul style="list-style-type: none"> ▪ Code of Conduct with strict policies in place ▪ Active promotion by managers ▪ Assessment of Human Rights related risks and impacts in our operations, mainly abroad. 	<ul style="list-style-type: none"> ▪ No Human Rights violations, abuses, breaches or complaints in or before the reporting period.
"Local first" policy in Mali / Afghanistan	<ul style="list-style-type: none"> ▪ Focus on hiring locals ▪ Hiring Afghan National QA-manager ▪ On the job training of local staff members. 	<ul style="list-style-type: none"> ▪ Creation of numerous jobs for locals.
Serving MINUSMA by expanding our position	<ul style="list-style-type: none"> ▪ Improving the experience and assortment in our shops. 	<ul style="list-style-type: none"> ▪ Supporting MINUSMA.

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**UNITED NATIONS
GLOBAL COMPACT**
Labour rights



6. LABOUR PRINCIPLES

- 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 labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

6.1. Overview

Our people make the difference when it comes to serving our stakeholders, human resources are considered a strategic factor in our day to day activities. Human resources management is primarily focused on supporting the sustainable growth of the company through an operational staff of talented people.

It is the responsibility of the human resources department to ensure the quality of our human capital, and support shaping the company's future by focusing on career development, employee retention, work safety and the well-being of our staff members.

B&S installed a Safety & Security department on a centralised level to support and advise on Safety & Security matters at segmental level, while maintaining focus on the specific characteristics of each of our business segments and operations. The main focus of the department is the wellbeing of employees and protection of information and property. In the year under review, the Safety & Security department put priority on Safety & Health (ARBO), Risk Assessment & Evaluation (RI&E), in-house emergency and first-aid service (BHV) and a revised emergency plan, all in close cooperation with HR, Facility and Logistics. To further underline the importance of employee integrity and a safe and secure environment in all aspects of the company, the launch of a 'Clean, Sound and Safe' campaign throughout the organisation has been planned in the course of 2019.

6.2. Assessment, policy and goals

Our ambition is to be amongst the most attractive and active employers within our industry.

All employees have standard working hours, based on local regulations and industry standards and in accordance with the ILO conventions. All employees receive fair compensation for their work in line with local minimum requirements specified by the law and by the industry standards in relevant countries as well as by ILO conventions.

Our people have the right to work in a healthy and safe workplace. Good working conditions and a positive working environment help contribute to a lower absenteeism rate. Our people are given autonomy in performing their tasks, and we encourage them to act as pioneers and entrepreneurs. This has led to the exploration of new markets, the sale of new products,

and the opening of new regions. We provide a workplace that is free from discrimination, harassment and victimisation, where everyone receives equal treatment regardless of their gender, race, nationality, disability, age, marital status, sexual orientation or religion.

We are composed of a diverse group of people who are passionate about making a difference and inspiring other people. Their innovative solutions, enthusiasm and self-confidence help us to move forward and achieve our annual objectives.

6.3. Implementation in 2018 - 2019

Topic 1. Review of performance and appraisal interviews

The performance and appraisal interviews take place every year in May and November. The company has adjusted the procedure this year, which focusses on the competences of every individual. Through this new procedure, the talents of each individual are better reflected in their work.

Topic 2. Review of our job classification system

The company's Works Council, in collaboration with a specialized external party, has set up a new job classification system, which enables each individual to do justice to his / her qualities and optimally use his / her qualities in the organization. The new job classification system was implemented in February 2018. A new job classification system has several advantages for our employees;

- To help in recruitment and selection by defining significant qualification standards.
- To help in designing and developing standards for performance and appraisals.
- Allocating responsibilities aligned to the company mission and vision and those that help in the realisation of organisations business plans and strategies.
- Identification of career and growth paths in organisations.
- Establish standards for compensation.

Topic 3: Elections of our Employees Council

On the 8th of April 2019, all employees were all able to cast their vote digitally for the works council elections. The whole election and casting and counting of the votes was supervised by an external agency. The Employees Council is composed

of a diverse group of employees representing our commercial, logistic, financial and IT department. This ensures that all our employees interests are well represented within the Council. . We have faith in this new, provisional composition and are happy with the combination of experienced and new representatives within the Works Council.

Topic 4: GTC 2021 project

Our logistics operations, the Global Transit Center (GTC) with all its staff is one of the most important parts of B&S and the beating heart of our organisation. Through an improvement project, B&S will streamline and improve all GTC related processes. This improvement program consists of various parts, each of which is dealt with in a specific manner. This approach will lead to significant improvements within all levels of the GTG. The affects of which shall be seen from management to workplace employee level. B&S started at the implementation at the beginning of 2019. One of the most notable changes are the revised working hours for the staff within the Global Transit Centre. From now on they will work in two shifts. This ensures healthy work conditions and provides for a better balance between their work and private lives. It allows our employees to have for example more free time with their families. Secondly we will offer permanent employment contracts to substantial part of our temporary staff.

Topic 5. Labour conditions of shop employees in Afghanistan and Mali

By adhering to our own policies and the ILO (International Labour Organization) conventions and rights as a minimum, we strive to upgrade the labour rights of local staff in Afghanistan and Mali.

The personnel policy in Afghanistan and Mali is the same as our personnel policy in the Netherlands, and only partly modified to the local laws, regulations and other conditions or circumstances. The main topics of our Human Resources policy include:

- Employment is recorded by means of a contract;
- Agreements are in line with local laws and regulations;
- Salaries are competitive with ILO convention as a minimum; and
- Each employee will receive internal training and work guidance.

The fair salary payment for B&S staff is reflected in competitive salary conditions offered by B&S. Besides a fair salary, staff receives a monthly food allowance and a monthly transport allowance. Working overtime is paid at a rate of 150% and working on Official Public and Religious Holidays is paid at a rate of 200%. Staff is entitled to 10 days paid leave for every six months worked.

The working hours are based on the Labour and Employee Law of the Islamic Republic of Afghanistan and depend on the season:

- April 1st – October 31st - 08.00 hrs. until 17.00 hrs. (1-hour lunch break included)
- November 1st – March 31st - 08.00 hrs. until 16.00 hrs. (1-hour lunch break included)
- Ramadan hours - 08.00 hrs. until 14.00 hrs. (no lunch break included).

Topic 6. Secure working conditions in Afghanistan

The security of the offices and warehouses in Afghanistan is an important aspect. As we store consumer goods in warehouses, the premises need to be protected in relation to potential security threats, theft and other breaches. The B&S compound is located in a relatively safe area just past the city gate of Kabul. The nearest police and military post is only 0.5 kilometre away.

The compound is secured by 34 guards on location (working in two shifts), equipped with adequate defence tools. The compound is surrounded with a high fence. There are separate guarded exit and entry gates. Visitors must announce their visit at least 24 hours in advance, all vehicles entering the compound are thoroughly inspected. In addition, the visitors are registered and searched before entering.

As the security situation in Kabul ever changes, the security measures taken by B&S are constantly developing with the threats and tested to assure the safest possible work environment for all the staff members employed.

B&S has an extensive training program to ensure that employees in Afghanistan are competent to perform their jobs and to improve efficiency in relation to food safety, personal health and hygiene. Training courses are provided in terms of workshops, presentations or training-on-the-job. Examples of training that are given:

1. Introduction training
2. HACCP Awareness
3. Food Safety
4. Personal Hygiene
5. Manual Handling
6. Fork-lift safety
7. Fire safety
8. First aid
9. PPE.

Topic 7. Training for employees at B&S Dordrecht

Security is also an important aspect in our warehouses in the Netherlands, although in a different capacity. We use equipment such as forklifts, electric pallet trucks, pallet jacks and electric wrapping machines. The staff is well trained to use this equipment safely. Furthermore, warehouses are well organized and clean which also contributes to the safety of our staff. The training of staff is an on-going process.

B&S has an extensive training programme to ensure that employees in the Netherlands are competent to perform their jobs and to improve efficiency in relation to food safety and security.

It is crucial for us that employees are properly trained. First of all, it ensures their own safety and security, and second, all our processes are strictly followed.

In the past years, we have implemented the following training sessions:

- **HACCP & ISO22000 training:**
internal training about our quality management systems, HACCP and ISO22000.
- **Air – freight Security:**
awareness training about how to recognize, prevent and handle any possible danger (terrorism) during airfreight.
- **Air- freight Security Controller:**
training about different kind of security inspections on deliveries for airfreight. Knowledge about possible terrorism on airfreight, methods and resources on how to perform the inspections.
- **Air- freight Security Advisor:**
training is meant for the person who is responsible of supervision of the security process airfreight. This is also the contact person for the Royal Marshals.
- **Air Transport of Dangerous Goods (IATA Category 6):**
this course will improve the awareness of the legal requirements, operational restrictions, packaging instructions, marking, labelling and documentation regulations related to the transport of dangerous goods. Gain the skills to accept, handle and process shipments containing dangerous goods according to the current edition of the mandatory IATA Dangerous Goods Regulations manual.
- **Sea Transport of Dangerous Good (IMDG-Code (1.3.1.5) Function 2 until 9):**

How to apply appropriate safety precautions, and understand the legal requirements and operational restrictions involved in shipping dangerous goods by vessel transport. Gain a detailed understanding of International Maritime Dangerous Good (IMDG) Code regulations and practical knowledge of Code requirements, in relation to classification, packaging, vehicle packing and vessel stowage.

- **Awareness ADR:**
how to apply appropriate safety precautions and understand the legal requirements and operational restrictions involved in dangerous goods by road.
- **Awareness dangerous goods:**
general introduction course of working with dangerous goods.
- **Gas measurements (2 employees):**
skill training for employees who work with import cargo, risks of importing gas and releasing containers.
- **VCA Safety 1&2 (7 employees)**
The VCA is intended for executives without a leading role. They will be familiar with the Working Conditions Act and regulations, the recognition of unsafe situations and actions and accidents at work. The VCA Basic diploma is requested by employers or principals when undergoing risky undergoing.
- **VCA Safety 1 (20 employees)**
- **Pest control training (20 employees)**
This course (tailor-made) has been developed to help our staff develop an effective pest control policy. The following topics are discussed: the importance of hygiene, the closing of food supplies, the identification of vermin and what to do at the first signs of a plague.

Topic 8: B&S as knowledge centre

Our people have autonomy in performing their tasks, and we encourage them to act as pioneers and encourage their entrepreneurial spirit. Investing in our employees is key to their development and the growth of our company. This has led to the exploration of new markets, the sale of new products and the opening of new regions.

We consider education to be an important factor for personal development. We develop our management team by focusing on our internal talent and believe that the growth of our company means there is enough potential for everyone within the company to follow their own career path.



B&S Academy

In our internal training program, the B&S Academy, new recruits are trained to become experts in their field. Through this academy, we provide a path to management positions for employees with high potential. We train our employees to identify unique sourcing opportunities and help structure tailor-made solutions to deliver to our customers within the complex environment in which we operate. The trainee programme consists of various modules which cover subjects such as the company's history, its corporate strategy and main policies. Practical subjects related to commercial aspects, logistics, customs affairs, IT solutions and finance are also included. Experienced employees are actively involved in giving on-the-job training. Trainings have been professionalized even further by combining theory and daily practice on a higher level, providing practical cases and interactive assignments.

Internships

We maintain close relationships with (applied) universities, high schools and teachers in the areas in which we are active, with the intention of contributing to the education of the community and sharing knowledge. Every semester a number of students participate in our internship program or undertake graduation assignments in our organisation.

Topic 9: Promoting a healthy lifestyle amongst employees

A healthy lifestyle leads to better workplace performance. At B&S, we actively support employees' goals of staying fit and healthy. We provide free access to a gym and promote a range of healthy foods in our lunchrooms, including a salad bar, fresh fruit juices, fresh soups and sandwiches.

This year we'll also sponsor our employees in the annual Marathon of Rotterdam. With a public announcement we have tried to encourage all our employees to participate with their colleagues to one of the biggest sports events of The Netherlands. B&S arranges everything for this, to stimulate sports and exercise and to improve our team spirit; from the registration to the shirts.

Moreover, B&S will participate in the KikaRun of Rotterdam. Via this event, all participants will run to raise as much as money as possible for the cure of childhood cancer.

Every year we take part in a sports tournament with a large group of colleagues. We have been doing this for more than 10 years. We think it's important to stimulate sports and exercise and this is an excellent event to improve our team spirit.

Studies have shown that not only does engaging in regular physical activity raise energy levels, it also increases mental alertness

and reduces workplace stress, which enhance productivity. And we believe this is a win-win situation.

6.4. Measurement of outcomes

Labour Rights	
Company relevance	Relevant for all B&S staff.
Risk level	Low in the Netherlands, elevated in Afghanistan and Mali, slightly elevated for Cruise shops.
Related UN principles	3,4,5 and 6.
Goals	Freedom of association and the effective recognition of the right of collective bargaining. Elimination of forced and compulsory labour. Abolition of child labour. Elimination of discrimination in respect of employment and occupation.
References and policies	Annual Reports, Corporate Code of Conduct. Labour contracts. Safety and security procedures. HACCP. ISO 22000. Marine Labour Convention 2006.

Topic	Action	Outcome
Procedure review	<ul style="list-style-type: none"> The company has firm policies and procedures in place, which are regularly reviewed, discussed, and updated. 	<ul style="list-style-type: none"> No relevant breaches to report for the reporting period. Active dialogue with local legislators in Afghanistan and adjustments to local circumstances and conditions.
Review of our job classification system	<ul style="list-style-type: none"> The company has set up a new job classification system, which enables each individual to do justice to his/her qualities. 	<ul style="list-style-type: none"> To help in recruitment and selection by defining significant qualification standards. To help in designing and developing standards for performance and appraisals. Allocating responsibilities aligned to the company mission and vision and those that help in the realisation of organisations business plans and strategies. Identification of career and growth paths in organisations. Establish standards for compensation.

Topic	Action	Outcome
GTC 2020 improvement project	<ul style="list-style-type: none"> ▪ More job certainty for employees B&S ▪ Two shift workdays ▪ Compensation for employees. 	<ul style="list-style-type: none"> ▪ B&S will offer more job stability to the employees. An increased number of employees will have a permanent employment contract at B&S. ▪ The employees within the GTC will work in shifts (during the week). ▪ B&S applies a compensation allowance of 7.5% for hours worked in the afternoon shift (as from 15:00 hrs).
Elections of our Employees Council	<ul style="list-style-type: none"> ▪ Employees from the office and GTC were able to stand for election for the new Employees Council. ▪ Possibility for all employees to give 4 digital votes for the people they believe in. 	<ul style="list-style-type: none"> ▪ The turnout of the election was 82.29% ▪ A new selected council that is composed of a diverse group of employees representing our commercial, logistics and financial department.
Secure working conditions Afghanistan subsidiary.	<ul style="list-style-type: none"> ▪ Continuing to safeguard the working space. 	<ul style="list-style-type: none"> ▪ The B&S compound in Afghanistan is thoroughly protected, based on strict safety plan that is regularly updated. No incidents to report.
Training for employees at B&S' headquarters in Dordrecht, The Netherlands	<ul style="list-style-type: none"> ▪ Intensive trainings. ▪ New trainings have been added such as VCA Safety training and Pest Training. 	<ul style="list-style-type: none"> ▪ Training courses are scheduled regularly, leading to a better knowledge on Food safety, personal health and hygiene. ▪ Training courses support the HACCP guidelines relevant for the organisation. ▪ Trainings create awareness regarding the importance of strictly following all procedures, and increases the education level of our employees.
B&S as knowledge centre	<ul style="list-style-type: none"> ▪ Active investment in the knowledge of staff. Informing all employees regarding the company strategy, financial situation and future vision. ▪ B&S Academy. ▪ Internships. 	<ul style="list-style-type: none"> ▪ Career development, knowledge enhancement, higher company motivation, improved efficiency. ▪ On-going process.

Topic	Action	Outcome
Promoting a healthy lifestyle amongst employees	<ul style="list-style-type: none"> ▪ Provide free access to a gym ▪ Promote a healthy lifestyle ▪ Provide sport outfits and marathon participation tickets. 	<ul style="list-style-type: none"> ▪ Employees are making use of the sports facilities after work or during their break, which improves their health conditions. ▪ We promote a range of healthy foods in our lunchrooms, including a salad bar, fruit juices, fresh soups and sandwiches ▪ We sponsor and support our employees to participate in the marathon of Rotterdam and other sport events like the Kika Run of Rotterdam which support treatment for Childhood Cancer.

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**UNITED NATIONS
GLOBAL COMPACT**
Environment

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B&S

7. ENVIRONMENTAL PRINCIPLES

- 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.

7.1. Overview

Generating less waste, is one of our CSR priorities. We recognise that certain resources are finite and must be used in an efficient, sustainable and responsible manner. Whenever possible, we reduce, reuse, recycle and recover to utilize resources in the most environmentally prudent manner.

We continually improve our environmental performance by applying sustainable principles along our entire value chain. We recognise the importance of protecting the natural environment, and work to reduce our CO₂ emissions and mitigate any negative effects from our activities, while ensuring the health and safety of our people.

7.2. Assessment policy and goals

We look for ways to be energy efficient by sustainably managing our procurement activities. While most of our goods are distributed by road, we continually look for the most CO₂-efficient transportation method. Optimizing transportation and minimizing fuel consumption are areas that we strive to improve in.

We optimise the use of technology within our warehouses, which helps us improve efficiency and lower our energy and other resource requirements, reducing our overall environmental impact.

We use a range of technologies within our buildings to help cut emissions, including motion-detecting light sensors and energy-saving bulbs in our offices. When we make investments in our warehouses, offices and shops, we incorporate the most up-to-date standards, including looking for ways to save energy and use recycled material.

7.3. Implementation in 2018 - 2019

Topic 1. Procedure review

The company reviews procedures yearly and has discussions between the Executive Board and senior managers on the effectiveness and completeness of these procedures, breaches, and incidents.

Topic 2. Reducing our footprint

We strive to reduce and mitigate any adverse effects from our activities, seeking to limit our energy use and CO₂ emissions. Our company reduces its CO₂ emissions, with the goal of enhancing its environmental and economic performance.

AutoStore

In our warehouses in the North of the Netherlands, we expanded the automated storage system for an affiliated company. The system AutoStore is completely automated and allows us to store our products more efficiently and with reduced consumption of power and maintenance costs. Space requirements are also up to 60 percent lower and we are able to prepare orders four times faster. It has brought us new clients, who now benefit from a more advanced and reliable picking process and shorter lead times in the ordering process. At the same time, it has resulted in lower energy use and less maintenance costs.



Optimising warehouse capacity in Dordrecht

Over the years we have made various investments aiming to optimise our warehousing operations. To facilitate further growth, we have invested in a new partly automated warehouse next to our current facility in Dordrecht, The Netherlands. Equipped with the most up-to-date storage systems and state-of-the-art equipment, the warehouse reduces warehouse space requirements and allows for faster order picking and delivery compared to conventional warehouses, resulting in us being able to maintain higher sales volumes per square meter compared with conventional storage systems.



Investing in information and communications technology (ICT)

Implementation BiT

We've implemented our corporate ERP program BiT ERP. The tailor-made ERP system includes software systems for procurement, sales & marketing and warehousing to streamline internal operations. The system enables us to track and manage inventory levels across our platforms. Integration into the systems of our customers and suppliers offers them the possibility to track our inventory, supporting them in optimising their own inventory management by making their order placements more organised and cost-efficient. Before and during the implementation of BiT our employees were trained. Moreover, a team of key users was created to make several routes throughout the system, to make sure everything would be well thought out.

Product Information Management System (PIM)

After our successful implementation of BiT, we are now implementing our Product Information Management system (PIM), which allows us to enhance compliance with food safety and customs requirements in an online environment and anticipates the increasing demand of our customers for high-quality and up-to-date product information. With the implementation of PIM, we can provide our customers 24/7 access to our product assortment – readily available to order in any desired quantity – and benefit from the cross-selling of products in this online order setting.

Architecture

We use the warmth of the earth as a significant heating source in our offices and in 2019 we will start the installation of solar panels on the roofs of our warehouses. We are continuously investing in ways to reduce our carbon footprint. Our new warehouse is already provided with LED-lighting. We're also planning to install LED-lighting in our other warehouses. This will reduce our energy requirement for lighting with 50 percent, thus further reducing our total CO₂ emissions. We are also planning to replace our old dock shelters to further reduce our energy consumption caused by loss of hot and cold air at our loading docks. This loss of energy currently accounts for two thirds of our energy consumption within our warehouses.

Procurement

To make our procurement as smart and sustainable as possible, we maintain several requirements in our procedures. We achieve this by for example, using our selection and assessment model. We only want to collaborate with the best suppliers, who can guarantee a certain quality and professionalism. We are focused on central purchasing for the entire organization, so that we

achieve synergy. We no longer take everything in stock without proper calculation and risk assessment. This focus will, among other things, ensure that our write-downs on inventories has been halved or even more. This year we also focused on compliance which is an important added value. This sets us apart from our competitors. Within procurement we've focused even more on auditing suppliers; sampling, product specifications, 100% correction, article information. Everything must be right. All our suppliers must meet certain requirements, so that we have the most trustworthy suppliers in our global network.

Furthermore, we pay attention to the way in which our shipments are done. Our shipments are treated in the eco-friendliest way as possible. We are always seeking for the possibility to consolidate our goods into one shipment.

Moreover, we are constantly discussing the possibilities with our suppliers to map environmentally friendly packaging. We are focussing on different manners to reduce our CO₂ emission like lighter packaging; which leads to less energy for transporting all the goods and smart packaging to reduce space. Furthermore, we actively promote transparency on product information. We comply with the most stringent regulations. Our warehouses are ISO 22000, HACCP and USPHC certified, and operate a high-level processing risk management system. All products that enter our facilities are subject to comprehensive quality controls, handled with the utmost care, and stored in climate-controlled environments.

Other implementation

Next to the implementation of these major projects, there are made several smart adjustments to reduce the global footprint.

- In the course of 2018 we have been gradually replacing conventional light fixtures with LED fixtures in our current premises. In our new premises only LED fixtures are used, which consume 40% less energy.
- All offices and warehouse areas are equipped with light and motion sensors which automatically turn the lights on and off depending on the amount of light or movement within each section of the premises.
- Our energy-efficient ventilation and climate control system which stores residual heat, reduces the need for additional heating or air-conditioning systems.
- Our rooftops are fixed with a light and heat reflecting top-layer, providing the ideal temperature within our offices and warehouses.
- We carry out energy audits in order to assess and reduce impact on our environment.

Topic 3. Waste management

Whenever possible, we reduce, reuse, recycle and improve materials to utilise resources in the most environmentally prudent manner. In our offices, we raise awareness of waste disposal and waste reduction and we recycle waste paper.

We want to minimise our use of plastic in our offices, by replacing it by environmentally friendly alternatives such as carton. For example, by replacing our plastic cups by recyclable alternatives and by using special bins to collect waste paper to recycle. In December 2018, we've also invested in a digital administrations system that make us work more efficient and reduce our paper use to a large extent. A good example for this is the switch from printed company expenses declarations towards a mobile application where you can fill in all of your expenses without any printing.

Adding to this, B&S works together with food banks to ensure that food items which can no longer be sold to our clients are distributed to those in need. When food items are too close to its expiration date or consists of incorrect labels, we contact the food banks, present the food items and schedule a pick-up date.



Topic 4. Food safety, procurement and customs compliance

We adhere to strict guidelines from local and international governments to ensure food safety and customs compliance. As an Authorised Economic Operator, our partners can rest assured that we comply with all relevant customs requirements. We are subject to the Union Customs Code, the EU regulation that provides rules and procedures for products that are brought into or are taken out of the customs territory of the European Union.

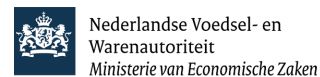
To ensure the safety of the food supply chains we are active in, we adhere to the strictest food safety standards. We actively promote transparency on product information and comply with the most stringent international regulations. Our warehouses are ISO 22000 and HACCP certified, and apply a high-level processing risk management system. These certifications allow us to demonstrate to our stakeholders that we comply with international food safety standards.

In the Netherlands, we are subject to the supervision of the Netherlands Food and Consumer Product Safety Authority (NVWA), which performs audits of our compliance with the

HACCP system. To comply with food safety and transparency requirements, we monitor our compliance and safety procedures



constantly, devoting extra attention to high-risk products, such as poultry and meat. Food products received at our warehouses are subject to comprehensive quality controls and are stored in climate-controlled environments.



We are approved by the US Army Public Health Command, which enables us to supply US Army caterers. Finally, we are an officially registered supplier to the United Nations Global Marketplace, the common procurement portal of the United Nations system of organisations. This enables us to participate in tender processes for United Nations contracts.



To improve transparency related to our own GoodBurry products we have further improved the product information on our product packaging. The information on our product labelling fully complies with the most stringent regulations for product labelling, such as the most current 1169-2011 EU regulations and UN requirements. We pay extra attention to;

- Clear declaration of ingredients;
- Better traceability through the addition of EU registration number (EU Health mark) and on seafood products the FAO fishing areas;
- Better legibility through amending the label structure.

Topic 5: dedicated quality team

In Q1 of 2019 B&S created a dedicated team to retain the quality within the organization on all fronts. The team consists of three people, which form the backbone of Quality Assurance within B&S. The team holds monthly meetings with participants from

different divisions to create greater support for the various key topics.

The Quality Assurance team is responsible for among others:

- Supervision of audits, clients and suppliers
- HCCP and ISO22000 audits
- Establishing audit calendar
- Policy development
- Pest control
- Customer satisfaction.

Important tasks which you can think of are for example: supervising audits of supervisors, clients, suppliers, the follow up of control rounds HACCP and ISO22000, pest control and measuring customer satisfaction.

7.4. Measurement of outcomes

Environment	
Company relevance	Mainly related to products.
Risk level	Medium.
Related UN principles	7,8 and 9.
Goals	Precautionary approach to environmental challenges. Promote greater environmental responsibility. Encourage the development and diffusion of environmentally friendly technologies.
References and policies	Annual Reports. Corporate Code of Conduct. HACCP regulations. ISO 22000.

Topic	Action	Outcome
Procedure review	<ul style="list-style-type: none"> ▪ Regular review and discussion with key managers related to procedures, necessary updates, audits etc. 	<ul style="list-style-type: none"> ▪ Procedures are effectively in place. ▪ Prolongation of certifications in 2017. ▪ Adjustments and updates in procedures implemented.
Reducing our footprint	<ul style="list-style-type: none"> ▪ Active participation in Airport Carbon Accreditation program. ▪ Optimising warehouse capacity in Dordrecht ▪ AutoStore ▪ Investing in ICT ▪ Making smart and sustainable adjustments throughout the offices and Global Transit Centre. 	<ul style="list-style-type: none"> ▪ Higher awareness among employees regarding recycling, and avoiding waste of energy. ▪ Operate and store our products more efficiently and with reduced consumption of power and maintenance costs. ▪ Process automatization. ▪ Energy reduction of more than 40% via Led Lightning ▪ Using the geothermal energy as a heating source wherever we can as ongoing process.
Waste management	<ul style="list-style-type: none"> ▪ Outsourced waste processing. ▪ Continuous instructions and raising awareness related to garbage handling. 	<ul style="list-style-type: none"> ▪ Professional handling and reduction of waste. ▪ B&S works together with food banks to ensure that food items which can no longer be sold are distributed to those in need. ▪ Awareness on garbage handling. ▪ On-going process. ▪ Investment in new technologies using less packaging materials.
Food safety and transparency	<ul style="list-style-type: none"> ▪ Thorough quality controls on food products. ▪ Compliance and safety procedure rigorously checked. 	<ul style="list-style-type: none"> ▪ Prolongation of certifications in 2017. ▪ On-going process.
Dedicated quality team	<ul style="list-style-type: none"> ▪ With a dedicated team of three B&S will maintain the quality within the organisation. 	<ul style="list-style-type: none"> ▪ A range of tasks on several levels to maintain the quality assurance of the whole organization ▪ Monthly meetings to discuss the progress.

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A photograph of two men in business suits shaking hands. The man on the right is wearing a red tie. In the background, a sign with the letters 'B&S' is visible. The scene is set in a modern office or lobby with large windows and a tiled floor.

**UNITED NATIONS
GLOBAL COMPACT**
Anti-corruption

8. ANTICORRUPTION

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

8.1. Overview

B&S has a long history with diverse activities dating back for more than a century. We are proud of our background. It has evolved over time and determines the professional organisation that we are today.

Our Corporate Code of Conduct has evolved alongside the way we do business. It is a sustainable and strong pillar on which the company has earned the trust of its stakeholders.

Whereas the Corporate Code of Conduct is firstly applicable for the company's own staff members, we consider it important that our stakeholders follow similar good governance and business ethics. We actively promote our ethical behaviour to stakeholders, even in other languages if needed for a better understanding.

Our integrity should be beyond all doubt. In view of the important social role of our company, it is imperative that all our employees comply with the legislation and regulations of the countries in which we are active and also comply with the values and standards that apply within our company and which have been laid down in this Corporate Code of Conduct.

We expect our employees to show integrity and honesty in their mutual relationships and in relationships with stakeholders. We also expect integrity and reliability from our business partners, such as clients, suppliers and other business partners.

The company abides by the local legislation, industry minimum standards, ILO and UN conventions and other statutory requirements.

8.2. Assessment, policy and goals

Our company does and will not cooperate in illegal transactions or transactions suspected to aim on the laundry of money. We do business based on honesty and ethical management, trust and integrity and we expect the same from everyone with whom we do business.

Our company will not accept any influence in the decision making by people based on promises, gifts, bribes or kickbacks, or by any other measure that is unethical or that will tarnish our reputation for honesty and integrity. Even the appearance of such conduct shall be avoided.

Gifts, favours and hospitality are to be handled with great caution. Excessive gifts and hospitality can affect our business judgment and can create expectations from third parties. As a result, the company can be embarrassed by its disclosure.

Gifts, favours and hospitality may only be accepted when they are consistent with general accepted business practices and ethical standards and do not in any way violate applicable law. In accepting gifts, favours or hospitality any attempt of bribery or kickback should be avoided.

Staff members who are engaged in procurement activities should safeguard their freedom of action to deal impartially and to avoid conflicting loyalties. Therefore, gifts, favours and hospitality of any kind which would obligate or tend to obligate the staff member must not be accepted. We expect our suppliers to respect our gift policy when doing business with us, just as we will respect the similar policies of our clients.

Our company maintains a zero-tolerance attitude towards fraud. This is applicable for all our staff members, but we also expect our business partners to refrain from fraud. All the divisions and business units are subject to general policies, procedures and control mechanisms to prevent and detect fraud.

Reports of fraud or attempt of fraud will be seriously investigated and reported to the Executive Board, followed by appropriate sanctions, if necessary.

8.3. Implementation in 2018 - 2019

Topic 1. Procedure review

The company reviews procedures yearly and has discussions between the Executive Board and senior managers on the effectiveness and completeness of these procedures, breaches, and incidents.

Topic 2. Know Your Relations principle

We comply with all relevant legislation, but we are also aware that this can change abruptly and affect our business. When such cases occur, we strive to adjust to the new rules and regulations in the best way and as far as possible while at the same time considering our own long-term interests and objectives. We select our business partners carefully and they are only accepted after extensive screening to ensure ourselves that our supply chain is transparent and not in breach with any regulations and we are not infringing any intellectual property or trademarks. If deemed

necessary, we rely on the services of local professional experts for designated compliance areas. Strict internal policies and guidelines have been drawn-up regarding business agreements with new suppliers and customers by means of a Know Your Relation (KYR) procedure. In order to avoid corruption, bribery, fraud and other unethical behaviour, the new relations and their Ultimate Beneficiary Owner(s) are checked with the OFAC and the EU Sanctions list. Throughout the company there is extensive knowledge of the content and impact of the Foreign Corrupt Practices Act (FCPA).

Topic 3. External recruitment agency in Mali

We work together with a recruitment agency in Mali to hire new talented people. Using their knowledge and experience we make sure that we are compliant with all local regulations and hire employees who fit our desired profile.

All our employees are sub contracted to this agency to make sure that everything is in line with local laws in Mali.

The policy is basically the same as our personnel policy that is used in the Netherlands, only partly modified to the local conditions and circumstances. The main topics within our Human Resources policy are:

- Employment is recorded by means of a contract;
- Agreements are in line with local laws and regulations;
- Salaries are competitive with ILO convention as a minimum; and
- Each employee receives in-company trainings and work guidance.

8.4. Measurement of outcomes

Anti-corruption	
Company relevance	Mainly related to liquor and tobacco products.
Risk level	Medium.
Related UN principles	10.
Goal	Avoid corruption, extortion, bribery, fraud and other unethical behaviour.
References and policies	Annual Reports. Corporate Code of Conduct. KYC procedure. Suppliers Form.

Topic	Action	Outcome
Procedure review	<ul style="list-style-type: none"> ▪ The company has firm policies and procedures in place, which are regularly reviewed, discussed, updated, promoted within the Group. ▪ The company has a long track record with high ethical standards, resulting in the long-term trust of many stakeholders. 	<ul style="list-style-type: none"> ▪ No relevant breaches to report for the reporting period.
Know Your Relation principle	<ul style="list-style-type: none"> ▪ Improvements on the Know Your Relation procedure. 	<ul style="list-style-type: none"> ▪ Working with reliable companies and avoiding fraud. ▪ Improved information regarding suppliers allows B&S to choose more reliable partners.
External recruitment agency in Mali	<ul style="list-style-type: none"> ▪ Collaboration with an external recruitment agency in Mali. 	<ul style="list-style-type: none"> ▪ Comply to all local regulations.

Publication date: May 2019

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