

COMMUNICATION ON PROGRESS: STICKS 'N' SUSHI

Period covered June 20th 2019 – June 19th 2020

STATEMENT OF CONTINUED SUPPORT

Copenhagen, June 10th, 2020

I am pleased to confirm Sticks 'n' Sushi's continued support of the United Nations Global Compacts Ten Principles on Human Rights, Labour Rights, the Environment and Anti-Corruption.

Conducting Business Responsibly is something we have always done, being active members of the United Nations Global Compact Network for eleven years. In 2020, we are as committed as ever to being a socially and environmentally responsible business and it is something we are very proud of. The ten principles are deeply embedded in our core values, informing the way we conduct our internal activities but, also guiding our external business relationships.

We also place heavy emphasis to how our activities resonate with the Sustainable Development Goals. We focus in particular on goals, eight [Decent Work and Economic Growth], twelve [Responsible Consumption and production], thirteen [Climate Action], fourteen [Life below Water], fifteen [Life on Land] and seventeen [Partnerships for the Goals]. These goals we're selected as they have most relevance to Sticks 'n' Sushi's business model and form the area we can have the greatest impact

Subsequently, I reaffirm Sticks 'n' Sushi's commitment to the aforementioned principles and social and environmental responsibility generally.

Best Regards,

Andreas Karlsson, CEO



DESCRIPTION OF ACTIONS: HUMAN RIGHTS (INCLUDING, LABOUR RIGHTS), ANTI-CORRUPTION AND THE ENVIRONMENT.

We comply, of course with all national legislation regarding Human Rights, Workers Rights, Anti-Corruption Mechanisms and the Environment in all countries in which we operate. In addition, we employ responsible personnel, including our people team, who occupy a Human Resources Capacity, to ensure this situation remains as such. However, the company, and, the aforementioned personnel, go beyond this. Below we outline these actions.

Responsible Personnel

In January this year we employed somebody responsible for directly dealing with our Corporate Social Responsibility and Sustainability Agenda. This responsible will not only monitor and coordinate our activities but, also research and implement new initiatives.

Collaborations

We are part of a number of multi-stakeholder partnerships whereby we collaborate to improve our industry. We have been part of numerous collaborations for various projects over the course of our business history. Regarding our current active organisational membership, in addition to the Global Compact Network Denmark, we are part of the Restaurateurs Guarantee Association [REGA], a Danish-based sustainable restaurant association and the Sustainable Restaurant Association [SRA], a UK-based association also, targeting sustainable restaurants. We believe working together can increase our capacity to create positive change through sharing of knowledge, resources and expertise [SDG's 17.6 and 17.7]. We partake in numerous projects within these organisations, such as REGA's *SDG's in the Value Chain* project. Which identifies key sustainability challenges in the restaurant industry, and we work communally to develop innovative solutions to these issues.

Suppliers

We are very conscious that the conditions in our supply chains live up to the conditions in our restaurant group. This is why we work with suppliers with strong corporate social responsibility agendas. Many of whom have certifications for environmental and social factors such as, responsible fishing practices, animal protection, fair working conditions, forestry protection and reduced usage of non-organic or environmentally harmful chemicals [SDG's 8.8, 12.4, 14.1, 14.4, 15.2]. We have a code of conduct which we expect the suppliers in our restaurant group to live up to that includes clear reference to the guiding principles on Human Rights, Labour Rights, Anti-Corruption and the Environment. We are currently working with REGA to renew our Code of Conduct and develop the new version in collaboration with some of our key suppliers.

Employee Feedback Mechanism

Independent employee feedback mechanisms can be a useful tool to protect employees' rights and prevent corruption. In our Danish restaurants we set up a system whereby, we have independent members of staff in different worksites who employees can go to and voice concerns or suggest improvements. We are working this year to extend this system to all our worksites internationally.



Workers' Rights Mechanisms

In addition, to the above we also provide workers with an employee handbook when they join us, explaining their rights, so they feel fully informed [SDG's 8.5, 8.7 and 8.8]. These rights are linked to the UN GC's principles. We are also committed to flexible working patterns and a range of training and development opportunities to enable productive and meaningful work for all our employees.

Diverse workforce

It is a key priority of Sticks 'n' Sushi to combat discrimination in respect of gaining employment and whilst employed [SDG 18.5]. We collect data on various social factors and pay, to highlight areas where discrimination can occur. Our commitment to anti-discrimination and diversity is demonstrated by our highly diverse workforce, consisting of people from over eighty different nationalities.

Takeaway packaging

We think it is important to use resilient materials and support recycling procedures [SDG 12.5]. Our current takeaway packaging is made of between 85% and 95% recycled plastic. Within a few months this will be 100%. This packaging can be fully recycled. As part of our collaboration with REGA we are exploring and developing alternative takeaway packaging materials than plastic, we await with interest the results of this collaboration.

Menu engineering

Our menu has been designed to be more environmentally responsible. We have reduced our volumes of beef and tuna and have introduced a greater number of vegetarian and vegan items. Over the years it has been increasingly engineered to reduce food waste [SDG's 12.3 and 12.5]. We reduced the volume of ginger and wasabi provided and the number of set menu's that included a side of rice, as we discovered guests were leaving a significant proportion of these items. The menu is designed in a circulatory manner; cuts of fish that cannot be used for nigiris are utilised for maki roles; cucumber ends are used to make cucumber juice in the bar; different parts of one fish are used for different items. Like in many other areas, improvements can always be made. That's why we recently invited Too Good To Go, a food waste initiative, to our quarterly meeting to help us brainstorm areas where improvements can be made.

No endangered species

We are aware of our responsibility to protect the worlds biodiversity that's why we do not have any endangered species on our menu (SDG 15.5). We have previously removed eel and blue fill tuna because they became endangered.

Paper Straws

We terminated our usage of plastic straws in, now all restaurants use biodegradable paper straws. We are now introducing a new drinks menu whereby, the majority of cocktails will not require a straw to reduce the generation of waste more generally. The majority of our drinks will now not be served without straws.



STICKS 'N' SUSHI

MEASUREMENT OF OUTCOMES

REGA Audit

The audit by REGA follows the UN Global Compact Guiding Principles and involves impact assessments on Human Rights (including workers' rights), Anti-corruption mechanisms and the Environment to identify areas where we are successful, areas where improvements can be made and to track progress. We joined REGA in April 2018, so are due our first audit in summer 2020.

Tracking Wastage

We changed some procedures and activities to reduce our wastage of specific items, we are developing an overview so we can outline the annual volume savings. These savings will be presented in our Communication on Progress in 2021.

Annual CSR reports

We develop an annual CSR Report outlining our progress and initiatives going forwards. Activities are categorised here with relation to the UN GC's Principles.

CSR Commitment

We present our commitment to sustainability and corporate social responsibility on our website. This commitment is signed by our CEO and is updated at minimum every three years.

Staff surveys

We conduct regular staff surveys to gauge employee levels of satisfaction and information on employee well-being. These surveys are conducted at minimum every three years however, the intention is for said surveys to be conducted more regularly. Some of the findings from our previous survey are available in last year's Communication on Progress.

Fish Sourcing Transparency

On our website we present information on all of our fish sourcing practices. You can see the origin country of the fish, the catching/fishing practice and whether the fish is certified environmentally or socially sustainable at origin. The majority of the fish we serve does have said certifications.