



2019

SUSTAINABILTY REPORT



RETOUR



BARABBA

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about this report

At Pluto Group we emphasize the importance of our work with sustainability and that it is rooted in our business on all levels. It is one of our core values that we have transparency and accountability in the way we do business. It is therefore fundamental for us to report how we work with, and implement the Ten Principles into our strategies and operations, as well as our efforts to support societal priorities.

This report (CoP) is a key component of our commitment to the UN Global Compacts, and illustrates our relevant policies, procedures and activities committed to sustainability.

We will in this report illustrate how we have made a progress on our CSR activities during the financial year 2019 and what we plan to focus on in 2020.



letter from Jesper Madirazza-Marcussen, CEO

2019 has been an exciting and educational year for the Pluto group. We have opened a new restaurant and introduced new employees to our family. It has also been a year with an immense focus on sustainability, both worldwide, but also at Pluto group. We are proud to have introduced a lot of new processes to our journey in becoming more sustainable.

While we strive for growth, it is very important for us to act responsibly in all aspects touched by our business. We recognize that we bear a great deal of responsibility in relation to the social, economic and climatic challenges we face today - but we also see a great opportunity to positively influence these challenges. We want to be an active role in the work to make the world a more sustainable place, and we feel, that our commitment to Global Compact and REGA is a big step in that direction.

However, we are convinced that a healthy business has a greater profit to improve, and therefore we have a strong focus on the fact that everything needs to happen in reasonable process that both the company and the economy can sustain.

We will continue this journey in our work with the UNGC's Ten principles and our due diligence analysis in REGA, in the years to come. I hereby confirm that Pluto group continues its support of the Ten Principles of the United Nations Global Compact.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

Sincerely yours,

Jesper Madirazza-Marcussen
Chief Executive Officer



pluto group

Pluto group was founded in 2011. The driving force behind the company, which in the daily goes by the name “Pluto group”, has since the beginning been to open restaurants where quality, taste and atmosphere is paramount. Behind the restaurants are the partners Rasmus Oubæk & Jesper Madirazza-Marcussen who since their first restaurants, has managed to create original concepts, tasty food, wine and good atmosphere.

A lot has happened since the first bistro opened in 2011, and today the family consists of 250 dedicated employees, 8 co-owners and 7 different restaurants;

Two Retour in Copenhagen, one in Aarhus, Pluto at Borgergade, the sister restaurant Gorilla in the Meatpacking district, the sinful Italian, Barabba, and the latest addition the family, Restaurant Maison in Dronningegaarden.

All with their own identity and particularity, but with the common goal of creating memorable evenings for the guests.

pluto & rega

The Pluto group's collaboration with REGA started in the early years of the pioneer project. CEO Jesper Madirazza-Marcussen was one of the front runners who, along with other restaurant owners, saw great responsibility in the industry and a lack of initiatives and best practices with corporate social responsibility. It evolved into the organization, that today goes by the name of REGA (Restaurateurs' Guarantee Association) who is the world's first industry-wide initiative that works specifically with Corporate Social Responsibility

With REGA a best practice model is created which sets out both how the restaurant industry can best run responsible and sustainable businesses, and how companies across the industry can work together in a joint initiative that has corporate social responsibility in focus.

As a member of REGA, we have along with the other members, committed to sign up to the UN Global Compact and to live up to the UN and OECD's minimum standards for responsible business conduct (UN Guidelines for Human Rights and Business and OECD Guidelines for Multinational Enterprises). This means that as a member of REGA, we work together and focus on improving the company's social, environmental and economic bottom line. In this way, respect for human rights, the environment, and a focus on anti-corruption are guaranteed.

Pluto group has been an active member of REGA and UN Global Compact, since October 2018.

supporting our local community

Trygfonden's Family house

In collaboration with *Slagter Munch* and *Skagen Bamsemuseum*, we have adopted a room in *Trygfonden's* Family House. The Family House is located at the children's section of Aarhus University Hospital. The house can accommodate 22 families, all of whom are going through a difficult time. The house helps create the settings for a “time-out” during a tough period of illness.

Løkkefonden

CEO Jesper is ambassador of *Løkkefonden*, an organization that helps young boys back on track and back into society. *Løkkefonden* also focuses on helping the boys catch up in school by enhancing their academic and personal development. Due to Jesper's involvement with *Løkkefonden*, we host events at the restaurant several times a year.

Fødevarerbanken

CEO Jesper is ambassador of *Fødevarerbanken* which we support at all the Retour restaurants and through the annual *Grisefest* at Gorilla. At this event, every guest is provided with the opportunity to bring home their leftovers in a small box made in cooperation with *Fødevarerbanken*. This ensures that whatever food is left will avoid going to waste. Furthermore, *Fødevarerbanken* collects leftover food and distributes it to the socially vulnerable all over the country.



assessing our impact

Corporate sustainability starts with a company's value system and a principles-based approach to doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and the environment.

In 2019 we began assessing Pluto Group's risks by identifying potential adverse impacts on social, environmental and economic sustainability.

In this section, we describe the practical actions Pluto Group has taken/will take to implement the Global Compacts principles in each of the four issue areas; human rights, labor, environmental and anti-corruption.

human rights & labour



The right to non - discrimination

In terms of discrimination, we acknowledge that Pluto Group may have adverse impacts on the right to non-discrimination both in terms of our guests and employees.

At Pluto Group, we address potential adverse impacts on this right, we appreciate individuality and we strive to recruit a diversified group of employees throughout our company and at each restaurant.

Regarding discrimination in terms of gender composition, Pluto Group recognizes the importance of attracting, developing and retaining the right talent of all genders. We solely choose our staff based on their professional qualifications and unique personalities. We embed our work with anti-discrimination through information in our employee handbook and on guidelines how to handle any forms of discrimination.

DIVERSITY AT PLUTO TOILETS

Since we opened Pluto in 2012, one of our trademarks has been our decorated toilets. The men's toilet was decorated from floor to ceiling with picture collages of women, and the women's toilet was decorated with picture collages of 90s

boybands. A visual and fun gimmick. Our toilets are festive and they have another purpose in addition to their practical obvious one, they tell something about our organization and our values. We have so many opportunities to express and communicate our attitudes, values and goals, this is a creative and humorous way that makes us stand out from others.

In 2019 it was decided the toilet's decoration needed to be rethought - this despite their current iconic status. The toilets at Pluto are already running with a lot of attention on social media and the goal of the decorations is to communicate that Pluto is celebrating diversity. The men's toilet walls must not only be adorned by beautiful, strong women, but also by men of different kinds. As well as the women's toilet, must also be decorated with pictures of beautiful women. This creates a greater identification for Pluto's guests and staff, since not everyone necessarily understands gender as something binary. The mindset is constantly changing - both in the community, but also for Pluto Group.

Pluto should not be gender normative and therefore images of both men and women is decorated on the toilet walls, which we hope will make more people feel accepted, welcome and understood.

HARRASMENT

As a restaurant, we cannot always ensure the behavior of all our employees. That is why we at Pluto Group have tried to create the best possible framework, by being clear about what is tolerated and not tolerated at our company. We have a clear set of rules and guidelines on abusive behavior, hereunder sexual harassment, formulated in our employee handbook. At Pluto Group, abusive behavior from our staff will have employment consequences. Furthermore, it is a permanent topic on the agenda at our monthly management meetings, at each of the restaurants. Together with REGA and the other REGA members, we aim for a future free from harassment in the restaurant industry, and we are committed to continuously look for risks to prevent and mitigate them. This is a topic we will continue to work on in 2020 and onwards.

The right to work

Pluto Group acknowledge that we may have adverse impacts on the right to work, which among others includes the right to a contract, as well as the adequate training to do your job. We commit to provide decent and flexible working conditions for our employees, many of whom are young people working part time, just as good employment terms

and benefits strengthen retention and general employee well-being.

Therefore, we have implemented different procedures to ensure that. We always make sure that our employees cannot work until they have a signed contract. We ensure a clear hiring procedure, and the provision on contacts and shift scheduling, through our administrative system, can only occur once contract is in place. A general job description for the position in question is stated in the letter of employment, with further reference to descriptions in the employee handbook.

We also know that training and employee development are integral to ensuring high employee motivation and retention, and we therefore offer monthly a large variety of regular internal training e.g. within service excellence, advanced wine, coffee and cocktail courses. We also provide the opportunity for company paid sommelier courses, voluntary coffee courses, courses within service excellence etc. To this end, we provide a solid job introduction and training to new colleagues, a 'buddy program' and on-the-job coaching.

The right to equal pay for equal work

Pluto may have adverse impacts on the right to equal pay for equal work; especially regarding the possible difference in pay between men and women, but also in a broader sense regarding all the grounds for discrimination mentioned under the right to non-discrimination when determining starting salaries, when evaluating work effort, i.e. determining bonuses etc., or in promotions.

Pluto Group ensures that there is a fixed starting salary for all job functions in the restaurant that may only be increased based on competencies and similarity between front end and back end staff ensuring equal pay for chef and waiters, equal pay for middle managers both front end and back end that may only be increased based on competencies. Wage increases are based on recommendation from restaurant manager to company management, and a decision for wage increase is always decided by at least both parties. When assessing each employee's competencies when determining a wage increase, we make this assessment based on dialogue.

The right to safe and healthy working conditions

To give our employees the best conditions for a safe and healthy working place, we are, in collaboration with REGA, doing a yearly employee impact survey, which works as an “employee feedback system”. This ensures, the right of our employees, to the possibility of giving feedback and expressing their concerns and/or experiences relating to the right to safe and healthy working conditions. This gives us an insight in how we can act to improve the care for our employees.

Pluto Group may have adverse impacts on the employees' right to safe and healthy working conditions in relation to restaurant work, since restaurant work involves extraordinarily big challenges for the employee's well-being.

Pluto Group ensures that our primary actions to address stress in the work situation are ensuring clear roles and responsibilities, ensuring predictability in own work situations and tasks and ensuring adequate amount of staff.

The right to health

Pluto Group acknowledge that we may have adverse impacts on the right to health. It is essential for us to ensure a safe and secure environment for our guests and our employees at our restaurants.

At Pluto group, we are through subscription regularly refilling our first aid kits and checking fire distinguishing equipment. We have made sure that visible signs with safety instructions, incl. evacuation plan, are in place in each of the restaurant.

We provide several safety manuals, incl. guidelines for staff to immediately contact local police in case of violent incidents and training in conflict management through employee handbook.

SAFETY CARDS

We have at our restaurants introduced Action Cards. Action Cards provide an easy and manageable access to procedures on how the company would expect their staff to react in a critical situation.

The cards are a part of our general security procedures, as well as our cardiac restorers and safety representatives. Pluto Group has been a major part in the development of our Action Cards. In addition, we have also translated the Action Cards to English since several of our employees do not have Danish as their first language.

The Action Cards offer, among other, solutions to the most serious incidents that we as a restaurant may face. In this way, we make sure that our employees are well-prepared for every possible incident.

environment



Water

Due to Pluto group's daily use of water, we assess that in our daily operations we are at risk of significant adverse impacts in this area. We are also aware that adverse impacts concerning water consumption is a concern for the beverage industry, hence we assess that we are linked to significant adverse impacts.

As a part of our work with environmental sustainability, we have assessed recent years' water consumption in our daily operations in representative restaurants, establish guidelines for all employee groups to reduce water consumption in our daily operations, established a code of conduct/contract clause for business relationships and replaced old dishwashing machines in order to work towards using less water when dishwashing, by using better technology, dishwashing machines and filter plants

As a part of our 2020 strategy we will require of our suppliers to conduct and submit regular impact assessments on social, environmental and economic sustainability and we will continue our close dialogue with our beverage supplier as we will ask of them to assess their potential adverse impacts on this specific issue, knowing that the amount of

water consumption in the production of beer is a concern.

Energy

We use energy for our daily operations, thus we assess that we may cause or contribute to adverse impacts in relation to the use of energy at Pluto.

As we are dependent on external supply of energy we may also be linked to adverse impacts in this area through our energy supplier.

As a part of our work with environmental sustainability we have established guidelines for our employees on how to handle heating lamps and other electronic machines, reading our electricity meter once a month to keep track of our use of energy, thereby being able to identify anything abnormal/any adverse impacts.

We will as a part of our 2020 strategy require of our suppliers to conduct and submit regular impact assessments on social, environmental and economic sustainability and ask of our supplier of energy to assess their potential adverse impacts on this specific issue.

Chemicals

As a group of 7 restaurants we use chemicals for cleaning our facilities and for dish washing, thus we assess that we may be at risk of adverse impacts in relation to the use of chemicals. As we buy our cleaning products from a wholesale supplier, we further assess that we may be linked to adverse impacts in this area.

As a part of our work with environmental sustainability we have removed chemicals from cleaning procedures, by changing cloths and using more water, rather than chemicals. We have introduced systems to dose the use of cleaning products to minimize the use of chemicals and replaced dishwashing machines with new machines and technologies to reduce the use of chemicals and energy.

We will, as a part of our 2020 strategy, require of our suppliers to conduct and submit regular impact assessments on social, environmental and economic sustainability, ask of our supplier of cleaning products to specifically address the issue of the contents of chemicals in their products, look into the contents of chemicals in the cleaning products we currently use and, based on this review, look into alternatives when necessary using the sustainable

certificate The Swan (Svanemærket). We will look into changing the cloths we use for cleaning tables and floors through collaboration in REGA, seeking to reduce both water consumption and the use of chemicals (the cloths we currently use have micro plastics in them, where a requirement to new cloths is that they must be without). Further, we will consider the use of protective gloves for staff, considering both the environment and the right to safe and healthy working conditions and to the health for our staff and continuously seek to promote sustainable solutions for thorough cleaning of kitchen facilities through REGA.

Air emission Co2

Pluto group assesses that in our daily operations we are not at risk of adverse impacts in relation to this issue. However, we are aware that adverse impacts in relation to air emissions (CO₂) may be of concern for the food production industry. At Pluto group the product categories of specific concern are animal products and especially beef.

Adverse impacts in relation to air emissions (CO₂) may also be of concern for the transportation industry delivering our products, hence we assess that we are linked to significant adverse impacts, especially concerning the transportation of wine, coffee, beverages and foreign goods in kitchen production.

We will as a part of our 2020 strategy require of our suppliers to conduct and submit regular impact assessments on social, environmental and economic sustainability and implement procurement guidelines ensuring that, when possible, we buy our products from the vendor/geographical area closest to our business

Noise

We assess that we are in significant risk in this area. It is a general concern for the restaurant industry which has significant impacts in this area due to late opening hours and music. Our restaurants are located in tightly populated areas in cities, and most of our venues are open in the evening and at night.

As a part of our work with environmental sustainability we have established sound damping equipment in our restaurants, instructed our employees to keep the doors closed at all times when playing music, instructed our security personnel to assist us in keeping the doors closed at all times, instructed our employees to kindly ask our guests or others who are behaving loudly outside our premises to reduce their noise and developed guidelines for daily managers concerning how to control the max noise emission according to regulations.

We always evaluate written complaints and reported incidents seriously.

Biodiversity

At Pluto group, we assess that we may have significant risks in this area. The risks involve our procurement decisions and thus our supplier relations. We therefore assess that we may both contribute to and be linked to adverse impacts in this area.

While we do not currently serve dishes composed with threatened species, we regularly develop our menu with new dishes with the risk of negative effects on biodiversity.

We serve dishes composed of both organic and non-organic products. While the choice of organic products may have a positive impact on biodiversity, some of these products may have a negative effect on air emission (CO₂).

We have established and implemented procurement guidelines ensuring that we buy the more sustainable options. In 2019 we had our food products analyzed together with KBH Madhus, to assess the potential in buying more organic. As of now, 15% of our food products are organic. We will as a part of our 2020 strategy aim for 30% of food products to be purchased organic.

Beer

We buy all our beer from a local Danish supplier called Møns Bryghus. In 2019 we bought 45.000 liters beer from the brewery. As a part of our 2020 strategy, we will replace all our beers with organic beer.

Wine

We sell 35.000 bottles of wine annually, where at least 80% of them are organic nature wine, some of them biodynamic. We believe in organically farmed wine (biodynamically, using permaculture or the like), made (or rather transformed) without adding or removing anything in the cellar.

Animal welfare

Pluto assess that we may contribute to significant risks in this area as we serve drinks and food potentially affecting animal welfare. This is a general concern for the restaurant industry.

The risks involve our procurement decisions and thus our supplier relations. We therefore assess that we may both contribute to and be linked to adverse impacts in this area.

First of all, we have in 2019 increased the amount of vegetarian dishes on our menus by 50%.

Further, we have revalued all our animal products, in our strive to become more sustainable. It is no secret that animal products are one of the big sinners in Co2 emission and climatic changes. Today, we have a local supplier for most of our animal products, a supplier who has launched a dynamic process of reviewing all production processes, such as electricity and water consumption, waste management and distribution. We are very conscious of the quality of our animal products, and is constantly looking for more sustainable options and higher quality.

Waste

Pluto group assesses that we have significant risks in this area as we handle food as part of our business, leading to food and solid waste. This is a general concern for the restaurant industry.

We have continuous food waste from our daily operations in relation to food production and preparation. Food waste is also related to menu planning, as food waste may be a result of guests not finishing their plate.

At Pluto group, we manage food waste for reuse, we are planning of our food preparation with due regard to limiting food waste, we are planning of our menu, incl. size of our dishes with due regard to limiting food waste, we manage solid waste for recycling within available categories: plastics (soft and hard), glass, carton, paper, metal, and food waste

As a part of our 2020 strategy, we will seek to promote sustainable packaging solutions for food stuff, we will require of our suppliers to conduct and submit regular impact assessments on social, environmental and economic sustainability and require of our food suppliers to give account for their potential adverse impacts on this issue.

anti-corruption



Nepotism

In terms of cronyism and nepotism, we acknowledge that Pluto group may have adverse impacts regarding this area.

Therefore, we have developed procedures that forbid any form of nepotism. Anyone who recommends someone for an internal position or as a supplier or contractor, shall not be involved in the hiring decision. The decision is made by a senior member and made as a majority decision. This also applies for executive managers.

The activities of Pluto group demand clear and defined competencies. By adding other criteria, the risk of nepotism and conflicts of interest might grow. Pluto group recognizes that clearly defined job descriptions minimize the risk of nepotism and conflicts of interest. Just as it is an expectation in relation to the right to work - consider the human rights impact assessment.

Bribery

In terms of bribery of any sort, we acknowledge that Pluto Group may have adverse impacts on risks regarding corruption.

To minimize these risks, Pluto Group will as a part of our 2020 develop explicit guidelines and wording on anti-corruption for our staff manual to improve transparency and predictability concerning acceptance of gifts and procedure for approval. We are embedding anti-corruption as an element of training of new employees, as well as a gift log noting gifts of a total value pr. year > EUR 250.

measurement of outcome

We have specific indicators to measure the effectiveness of our actions. These indicators specifically address actions to prevent negative impacts.

In collaboration with REGA, we do several surveys to measure the outcome of our actions. We do a yearly employee impact survey and employee satisfaction survey, which work as an “employee feedback system”. This ensures that our employees have the possibility to give feedback and express their concerns and/or experiences, related to Human Rights and Labour, Environment and Anti-corruption. Through the survey we can measure incidents that can help us become aware of concerns regarding the different areas and what we need to improve.

Further, we will together with REGA do a qualitative assessment of incoming packaging as a part of the project “The 10 principles in the value chain”.

We do a statutory workplace assessment every third year. The workplace assessment contains an assessment of our safety, health and well-being at Pluto Group. It also contains an action plan and an overview of which actions that should be implemented.

In 2019 we had our food products analyzed together with KBH Madhus, to assess the potential in buying more organic and to help form a clear strategy. We will continue analyzing and improving our food products, in order to become as sustainable as possible.

