



**UN Global Compact  
Progress report 2021**

**MILLUM<sup>®</sup>**

## Statement of continued support

### To our stakeholders:

I am pleased to confirm that Millum reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions in year 3 to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Bjørn Anskau  
CEO Millum AS

November 27th, 2021



## About us

**Millum is a Norwegian software company founded in 2002, operating in the foodservice industry in Scandinavia. Millum develops and manages e-commerce solutions for all parties in the value chain. We supply everything from web-based procurement solutions for major procurement chains to e-commerce solutions for stand-alone suppliers, as well as a range of services that tie everything together.**

We believe that our industry focus can help create better solutions for our customers, due to our understanding of their businesses and needs. This approach has enabled us to establish our company as a leading player in the food service industry. Our role as a neutral facilitator serving both the procuring side and the supplying side, guarantees a good deal – every time.

The trade volumes through Millums systems for 2021 will be approx. NOK 6,5 billion, which is NOK 1 billion more than last year. Our line of business is slowly getting back on its feet after the lockdown due to covid-19. For 2022 we are hopefully looking towards trade volumes at the level of 2019, which was almost NOK 9 billion.

### Facts

- Founded: 2002
- Employees: 33
- Trade volume 2020: NOK 5,5 billion \*
- Suppliers: 400
- Product items: more than 1 million unique items
- Registered hotels and restaurants: 6.150
- Active users: 10.550

\* *Very low due to covid-19*



## Green procurement

**The foodservice industry in Norway, Sweden and Denmark normally buys goods and services for more than 80 billion NOK per year. More sustainable sourcing and procurement across hotels, restaurants and catering businesses has the potential for broad-reaching impact across complex supply chains.**

Every business has its own vision and priorities, while facing ever-increasing demands from guests and customers. Our aim is to support our clients through providing them with enabling technologies and to facilitate value creation through our network. The major actors within our industry operate in hundreds of locations across multiple countries. We believe that the key to sustainable procurement is through implementing efficient solutions that help streamline best practice across an entire organization.

Millum's greatest contribution in working towards the SDG's, will be to ensure that all users are able to make as informed and sustainable choices as possible, using our platforms to make their purchases and other tasks. Hence contribute to the reduction of emissions from our clients through their well-planned meals to ensure reduced food waste and lower CO2 emissions.





## Our vision of sustainability

Supporting our clients in reaching their sustainability goals through enabling our technology to meet their needs, also in collaboration with sustainable other parties, when needed.

## Our sustainability strategy

Enabling green procurement through the development of digital solutions tailored to industry-specific needs, independently or through partnerships. Such industry-specific needs include facilitating compliance to legal regulations as well as providing data for auditing and measuring effects of various sustainability programs. Millum will through such development of our inhouse technology, make our clients capable of taking informed and sustainable choices when using our procurement platforms.

## Our priority in 2021

In addition to continued commitment to the ten principles of the UN Global Compact, our priority this year has been to make continually progress on two of the UN Sustainability goals:

- **Goal 9; Industry, innovation, and infrastructure**
- **Goal 17; Partnership for goals**

This is more important than ever, especially after the covid-19 pandemic which had a severe impact on our customers. We need to develop the food service industry by finding more innovative solutions and tools, and in the end - build and ensure an infrastructure to support all relevant initiatives towards a more sustainable industry.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



17 PARTNERSHIPS FOR THE GOALS



8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



## Commitment to the ten principles

Millum aspires to a high level of ethics in our operations. All services provided to our clients must meet the standards described in our Code of Conduct. All our goods and services suppliers must comply with the same standards.

Our Code of Conduct is based on the Norwegian Law on Public Procurement (Norsk Lov om Offentlige anskaffelser §5), as well as internationally recognized conventions from the UN and International Labour Organization (ILO) specifying standards for performance. In case of conflicting laws regulating the same topic, the highest standard will prevail.

Since 2018 we have each year performed a supply chain assessment. By using Factlines we map and survey all our suppliers digitally with the aim of uncovering possible breaches, as well as to encourage them to strive for higher ethical standards and more transparency in their respective supply chains.

### Human Rights

#### **Principle 1:**

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

#### **Principle 2:**

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

#### **Status principle 1-2:**

Millum has implemented code of conduct for our organization and employees, and for suppliers. Millum's code of conduct is based on the Norwegian Public Procurement Act, § 5 which states that (public) businesses should have appropriate procedures to promote respect for fundamental human rights in (public) procurement where there is a risk of such rights being violated, the ILO conventions and UN Convention on the Rights of the Child and The Convention on the Elimination of all Forms of Discrimination Against Women. The suppliers must also distribute and communicate these guidelines to their subcontractors.

### Labour

#### **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.

**Status principle 3-6:**

Millum strives to achieve a diversified work environment, and of our 33 employees in Scandinavia there are 5 different nationalities, and 27 % females. We have since 2016 employed technical specialists located in Sri Lanka. We have checked that the company has contracts ensuring that the employees have good working conditions and normal salary in accordance with the level of such positions in Sri Lanka. We have also ensured that the contracts support index regulations of each employee's salary. Our team leaders keep in daily contact with each of the overseas team members through video meetings. We make at least one on-site visit each year, but for 2020 and 2021 the covid-19 situation made that impossible. From 2022 the visits will be reinstated.



**Environment**

**Principle 7:**

Businesses should support a precautionary approach to environmental challenges;

**Principle 8:**

undertake initiatives to promote greater environmental responsibility;

**Principle 9:**

encourage the development and diffusion of environmentally friendly technologies.

**Status principle 7-9:**

Our operations and data storage are energy intensive. During 2021 we have not expanded with any new servers. We have also made all our employees aware that if they delete emails, pictures and other files that are not necessary, we will each one of us contribute to energy savings. The goal is to make everybody delete 10 extra emails each day throughout the year.



**Anti-Corruption**

**Principle 10:**

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

**Status on principle 10:**

Our Code of Conduct specifies that all forms of bribery, whether direct or indirect, are unacceptable. We further encourage the use of management systems and other necessary practices to promote corporate responsibility and transparent supply chains.

## Partners: status and progress made in 2021



**Verdimat** is a wholesaler, selling only products that are close to expiration date, and can't be sold legally in their traditional channels. Millium supply Verdimat's e-commerce platform and per mid November 2021, they have sold more than 2.524.088 kg worth of goods that otherwise would be destroyed. Several of our clients have asked for Verdimat to be included in their eCommerce solutions, which means that they are able to order from Verdimat's product catalogue as well as other suppliers.



**Totalctrl** is a startup company aiming to reduce foodwaste. The hypothesis for the study we conducted together to learn the causes of food waste, and to address if digital solutions in the kitchens could help reduce waste, turned out to be correct. In 2021 we made an API to ensure a seamless workstream for some of our common customers. This to increase their control when ordering products through Millum and always see their inventory in real time to ensure that as little as possible becomes waste.



**Matprisen** is awarded to actors in the food industry who succeed in running their business in a sustainable way. In 2021 we sponsored this event for the 4<sup>th</sup> time. Millum is the presenter of the price "Årets storkjøkken" – large scale kitchens, awarded to larger actors whose sustainability efforts have a big impact. Several different "storkjøkken" are nominated each year. This ensures that the large organizations looks at this as an important price to be nominated for and eventually win – something to strive for!



**Factlines** helps organizations map and improve their supply chain, by mapping risks and opportunities. Milliums eCommerce solutions are individual for each customer, but the mapping of certified suppliers will appear in each portal when the supplier is confirmed certified. A search filter in the register of suppliers enables all users of Millum systems to do specified searches and find the suppliers which have been certified. Millum are also using Factlines and are doing an audit of all our suppliers every year.





**S-HUB** is a Norwegian community for sustainable business and leadership. Their aim is to gather companies and professionals to increase knowledge, build relationships and accelerate Norwegian sustainability initiatives. Millum has been a member of **S-FOOD**, S-HUB's national network for food and sustainability work, for one year. Our main task is still to learn and contribute to this network and use the knowledge to develop sustainable tools in order to help our clients to reduce food waste and CO2 emissions.

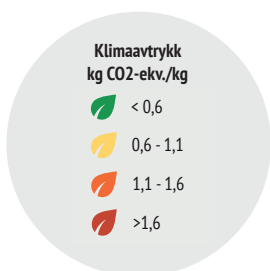
## New initiatives and actions taken in 2021



**Matfloka**, “a wicked problem”, refers to societal issues that are complex and cannot be solved by simple solutions. The food industry has been summoned with the goal of figuring out what and how we can eat to maintain a sustainable future. Millum participated and aims to help put good ideas into action. In 2021 some of the projects started, and one is **Food Revolution**, where Millum is invited in together with two of our clients. The Facility Management organization Coor is at the procurement side of Millums clients, and Orkla is at the supplying end. The goal is to be able to serve more sustainable meals, reduce food waste and at the same time reduce the CO2 emissions by using our technology when planning and preparing meals for its customers in all personnel restaurants.



Millum and its subsidiary Matinfo have signed the guide for **Green Procurement**, which means that we support the content of the guide and promise to share its content with our clients and others. This guide was initiated by the same organization as the Greewashing poster, **Skift**; Climate Business Leaders, together with their partners Zero, Future in our hands and WWF Norway.



Last autumn we developed a **CO2-calculator**, with the aim of providing chefs with information regarding the carbon emissions of dishes they serve. All values in the calculator are presented in a unit of measure determined by UNCF and the EU Commission, which convert the different gases to the corresponding amount of CO2 required to create an equal greenhouse effect. This was first offered to our Swedish customers only, due to our cooperation with RISE (Research Institute of Sweden). During 2021 we worked with RISE and NORSUS in Norway to enable this database for the Norwegian market as well. In October 2021, we were finally able to offer this to our Norwegian clients, after having translated the whole database.

## Efforts towards more sustainable meals

In June 2017, the authorities and the food service industry entered into a historic cooperation agreement on reduced food waste. The goal of the agreement is to halve food waste in Norway by 2030, in line with the UN's sustainability goals.

This Kutt Matsvinn (Cut Food waste) initiative has authored several tools and best practices, as well as establishing a structure for reporting and analyzing food waste. More than 2.000 individual hotels, restaurants and catering services joined Kutt Matsvinn in 2017 and pledged to work systematically to reduce food waste. A major part of the 2.000 members are Millums clients, hence our focus is to help them achieving the goal. The first key timeline was 2020, and during this 3-year period the industry did reduce food waste with 15% = 390 metric ton = NOK 24 million = 1.400 metric tons CO2 equivalents.

This was well achieved by all the individual members, and in 2021 more than 110 large chains and companies joined the recontinued industry agreement on reducing food waste with 50% before 2030. The project is now focusing on what all large organizations can do if the top management also join forces. Millum is facilitating some of the work being done with our initiatives in developing different functions in our technology to support the sustainable work many of the members do. A great deal of them are Millums clients, with several thousands employees. Most of them are users in our systems, which means that Millum can have a significant impact if we give them the right tools.



## Developing a tool for measuring food waste

In September 2021, we launched an MVP (minimum viable product) for control and registration of different areas of daily food waste as part of our eCommerce solution, Millum Procurement.

1. Production
2. Buffet
3. Guest
4. Inventory
5. Other

This tool also shows waste pr guest in grams, and let you see comments from the responsible person who registered the waste. Several of our clients from both facility management chains and hotels contributed to the developing phase and are now testing this function in use.

It can be used in a browser or as an app, the latter also works offline. The tool has been made to be as easy to use as possible, with the main goal of making the workdays for the people in the large-scale kitchens easier. At the same time the management should be provided with enough data to use the results to set in motion different actions to reduce waste in the different areas. The tool also provides some of the necessary statistics the organizations have committed to send to the **KuttMatsvinn2030** project once a year.

We are currently working on a version 2 which will support more detailed registration, such as type of meal, cost pr kg and more key metrics that our clients need to work with internally – and also needs to be able to provide more data to the project **KuttMatsvinn2030**.



## Focus on the possibilities within Millums technology

Based on the stakeholder analysis Millum conducted in 2020, a survey among both our group of customers; the purchasers and the suppliers, was conducted. This aimed to reveal which area were most important within sustainability.

Based on the results, Millum chose four areas as our main targets to focus on which we saw could help our clients to reach their sustainability goals. In 2021 we continued with the focus on #1; *Reduction of carbon footprint* and started a project on #2; *Food waste*. See previous page.

1. *Reduction of carbon footprint*
2. *Food waste*
3. Waste collection and recycling
4. Optimized End-to-End supply chain

Our main tasks for 2022 will be to continue developing these functions, including other projects that will support our clients' in helping them to achieve their goals. One new focus area will be #4 *Optimized End-to-End supply chain*, which we will investigate with the aim to see how Millum can facilitate this for the industry in a neutral and sustainable way by use of our technology.

Regarding internal affairs, we are still focusing on the same areas as last year. We will contribute to focus on:

1. Waste collection and recycling
2. Eco friendly products
3. Labour and Human rights

Two of our employees are responsible for the follow up on these bullets. They will work with continued efforts to enroll activities in our everyday life at work.



## Our team

### **A sustainable workplace**

Our current employees are dedicated to the sustainability cause, and we know that our future hires will be looking for a sustainable workplace. Even small businesses have a responsibility to make improvements wherever possible, and we believe that even the smallest efforts will have an impact if they are sustained over time. An example of this, is one of our new focuses internally, which is to reduce the use of power by deleting more emails, pictures and other files stored in our “cloud” – which is nothing more than giant servers throughout the world that use a lot of energy to store everything we forget to delete. Continued reminders to everybody that this will help the environment is crucial.

We will also continue to develop our partner strategy in 2022. It is important for us to ensure that Millum has the best team to continue our role as a facilitator of digital information in well tested technology throughout the food service industry. To be able to do this, we need a team consisting of both excellent partners and excellent employees which we can inspire and be inspired from!

***To succeed in 2022 you need to inspire, collaborate and partner intelligently.***



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