CHEVAL



# UN GLOBAL COMPACT - COMMUNICATION ON PROGRESS, MAY 2021

BLANC



## WELCOME TO THE 2021/22 EDITION OF OUR COMMUNICATION ON PROGRESS (COP).

I am pleased to confirm that Cheval Blanc Kantiner A/S continues the support of the Ten Principles of The United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

The need to deal with issues related to the four areas has only increased. As a corporation, we must act and stand by our responsibilities towards people and planet. We see no discrepancy between pursuing our business goals and at the same time commit to values of humanity, health, and climate action. In fact, we believe, it goes hand in hand.

All over the world we still see the COVID 19 pandemic's impact on societies and with the war in Ukraine, the crisis in the world continues. Human lives and businesses in general are under great pressure. Unfortunately, many communities have been and are still suffering from loss of human life, increase in cost of living, and businesses are struggling to get back to normal after the covid years. It is no secret that our business is particularly influenced by the rise in prices on food and the uncertainty in general. So, the need to be even more focused on long term sustainability in our business model stays as important as ever. And our strategy to do business responsible and work towards implementing the SDG's and the principles of the UN Global Compact has never been more important.

With the war in Ukraine, the year 2022 will be a sad year to remember. Nonetheless we will continue our work concerning our responsibilities and how we conduct our business in a more sustainable manner.



Claus Tingstrøm CEO

## CHEVAL KANTINER BLANC







### **About Cheval Blanc Kantiner**

Cheval Blanc Kantiner was founded in 1994 by professionals with great experience in the restaurant industry. We are specialists in canteen operation, and we operate 90 canteens throughout Denmark within the private, public and public-private sectors.

400 employees are daily serving lunch for approximately 23,000 people in Denmark. In 2018, Cheval Blanc Servicerestauranter and Claus Tingstrøm were merged and are now owned by Italian caterer Camst International s.r.l. (80%) and Claus Tingstrøm Holding (20%).

### Member of Danish Service Industry Employers' Association

Cheval Blanc Kantiner A/S is a member of the Danish Service Industry Employers' Association SBA. This means that we meet all the requirements of the Service Standard, which is a guarantee marking that is only awarded to members of the Danish Service Industry Employers' Association. We meet the industry's most stringent requirements regarding financial certificates, quality level, environmental considerations, working environment, human resources, education and subcontractors. Danish Standard continuously monitors compliance with all requirements.



### THE SUSTAINABLE DEVELOPMENT GOALS













Cheval Blanc Kantiner A/S takes a clear stand on social responsibility and sustainability. Our employees, our guests, our suppliers, our partners and our customers can be assured, that we always strive to make the most sustainable choices and decisions possible. We continually work to strengthen our position in regard of taking care of the climate, being responsible in our production and of our work environment.

We joined the UN Global Compact in 2011 with a promise to deliver on and commit to The Ten Principles of The United Nations Global Compact.

In 2021 our main focus was on the following:

- · Measuring our CO2 footprint from the meat consumption in our canteens in order to reduce it
- Working on developing our strategic partnership with our 100% organic supplier, Aarstiderne,
- · More responsible production, by educating our staff in how to use more green and legumes instead of meat
- Making The Sustainable Development Goals (SDG's) familiar to our employees through courses, so they understand how their everyday work supports our efforts working within the framework of the SDGs.

Our overall CSR strategy includes the Sustainable Development Goals - especially the goals of;

- · Responsible Consumption and Production
- Climate Action
- · Partnerships for the goals
- Good health and Well-being
- · Quality Education



SDG	Commitments
Good Health and Well-Being	We produce food for our guests in the canteens within the framework of the recommendations of the Danish Veterinary and Food Administration. We also educate our staff in stress management.
Quality Education	Our employees are trained through our unique training program, Gatsronaut. Annually, we review and renew the program to follow the latest research and knowledge about sustainable cooking.
Life on Land	As a part of our plan to enhance strategic partnerships we have been cooperating close with Aarstiderne. They possess great insights on how we can use the best vegetables and fruits in our canteens in accordance to the SDGs. And how we can increase the use of vegetables and legumes.
Responsible Consumption and Production	We work with initiatives that reduce food waste, better manage available resources and increase the amount of organic raw materials used. We practice responsible consumption through our concept "Gastronomic Compass", that stresses the use of raw materials, that we use in the daily production.
Climate Action	We run two of the five canteens in Denmark labelled with the Nordic Swan Ecolabel. These canteens have made great efforts to reduce the environmental impact of cooking. They comply with high requirements for energy conservation, waste sorting and the use of a certain proportion of organic raw materials. Further they act as inspiration to other parts of the industry and our canteens in general.
Life below water	Life below water We always use responsibly sourced fish in the dishes we serve to our guests and customers. We are updated on The Danish Red List that provides an overall overview of endangered species.
Partnerships for the Goals	Our partners must comply with current legislation and conventions for a sustainable future. We are in dialogue with our suppliers on quality, transport, seasonality and sustainability. As mentioned earlier we also focus on strategic partnerships that can enhance our performance in regard to the SDGs
Decent work and economic growth	We are working with a thesis that sustainable inclusive economic growth is a very important factor to our business and to the society in general. We believe that decent work and economic growth increases employment opportunities (for the youth especially) and reduces informal employment. Further inclusive economic growth promotes safe and secure working environments which is one of the reasons why we have chosen to work closely with SDG number eight. The work environment of our employees and workers are in many ways a high-risk area and we have always invested in making our staffs conditions as safe as possible. This include correct equipment and a system to report any injuries so that we can work on minimizing these in all aspects of our business. Further many of our suppliers are located in the countries where they are exposed to undue risks in their workplaces and we feel that it is important that we buy ethical and as ecological as possible to undermine the risk of ex working with pesticides.

These goals are of tremendous value to Cheval Blanc Kantiner and therefore in the following some of the most important elements will be elaborated.

## HUMAN RIGHTS AND LABOUR RIGHTS



**GOOD HEALTH AND WELL-BEING** 

We acknowledge our huge responsibility towards our employees and the people our business is related to. As a group we produce and serve more than 116 million meals a day and when we as a group ensure that our guests and customers have access to healthy meals during the day our actions make a great difference to people's health and well-being. We believe that our responsibilities do not only concern the meals that we provide during working hours in the canteens but also to the information on benefits from eating healthy. We have a great impact on the food culture in general, especially when we introduce our guests to healthy meals and show new ways to prepare green and sustainable products. We try to inspire our guests to bring home the healthy eating habits. We believe that our meals contribute to better nutrition choices and better health and that the outcome is more than just well-being. It increases the ability to perform and think clearer, hence producing better results in the work hours.

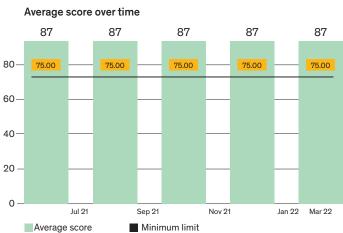
Some of the raw materials we use in the preparation of meals are from countries with other standards than we know from Denmark. Therefor all our suppliers must sign our Code of Conduct to ensure that they understand and adhere to the principles of UN Global Compact and our strict business ethics.

At our own locations we work with identification, assessment and reduction of risks and prevention of potential accidents, injuries and occupational illness at the workplace which is in line with the group identity.

We cannot stress enough the importance of the health and well-being of our employees. And we are proud of having introduced an employee satisfaction survey where we measure the wellbeing every three month.

We have also introduced a whistleblower scheme in order to secure access to inform management of problems in the company.

The average satisfaction rate for 2021 is shown below.



### **QUALITY EDUCATION**

We continuously train our employees through our unique training program, Gastronaut Academy. Annually, we renew the program so we can offer our employees the best courses within cooking skills, the latest food-trends and health, management, stress, foodwaste reduction and production planning and accounting.

n 2021 we continuously focused our efforts on plant-based foods and the cultivation of umami in green meals. We want our employees to take part and responsibility of their position at Cheval Blanc and strengthen the professional pride and passion for cooking with more greens in the canteens. We continue this mission in 2022 and have introduced several webinars and working on podcasts to reach all staff, even in crisis like covid.



### ENVIRONMENT

### RESPONSIBLE CONSUMPTION AND PRODUCTION

At Cheval Blanc Kantiner we work with initiatives that reduce food waste, better manage available resources and increase the amount of organic raw materials used. We practice responsible consumption through our Gastronomic Compass. This concept is put forward to stress the importance of raw materials that we use in the daily production. It is important to us that our employees have a basic knowledge of the raw materials and their selection principles. We will continue to increase the use of seasonally available products in our meals – and we prefer to use products locally produced greens and meat, as much as possible. When we use raw materials produced in countries outside Denmark, they must be in season and produced on open fields instead of greenhouses, so we have the lowest CO<sub>2</sub> emission from the cultivation.

### Reduce food waste

We have spent a great deal of time analyzing where we have the biggest impact on the different SDGs and we are aware that by initiating projects to minimize food waste we leave a much lower carbon footprint. Therefore, we have been working for many years to ensure improvements in this area. During last the years covid lockdown, we spend time analysing how plating of the dishes made a huge impact on reducing the food waste.

Going forward we will minimize the amount of food waste in our canteens by plating most of the dishes and working with data from our measuring of food waste, to show our clients, that by plating and having a smaller selection of dishes for lunch, we can reduce foodwaste significantly.

How we work with foodwaste the next year:

- Introducing a new app based system for measuring foodwaste.
- inform our guests in the canteens by running information campaigns on how to reduce food waste
- Develop new concepts for our clients, with a focus on the benefits a smaller selection and plating have on reduction in foodwaste.
- collaborate with Daka ReFood, that collect and recycle food waste and used cooking oil. The collected food waste is used in the production of biogas, a green and CO<sub>2</sub>-friendly alternative to incineration.

### Organic food

In 2022 we continuously strive for all our canteens to acquire The Organic Cuisine Label. We want 80% of our canteens as a minimum to have the organic Bronze label which indicates the percentage of organic products in the canteen, to be between 30 and 60%.

In 2021, all the offers that we have made in relation to new customers have involved a silver certification as a minimum. All new customers have unfortunately not accepted the task of obtaining this minimum standard for their canteens. It is due to the struggling businesses have been through during the last covid years and they are extremely cost aware.

With the rising of food prices, we are expecting this to continue. We see our task, as one of finding ways to secure the high level of organic raw materials in our production as this enables us to keep our focus on the environment and the climate crisis. We will work close with our suppliers to find ways of buying organic, even in these hard times.



## LOCAL SUPPLIERS AND PARTNERSHIPS

### **CLIMATE MONITOR FOR GREENER MEALS**

One of the keys to conducting a sustainable business, is to ensure close collaboration and partnerships with locally based food suppliers. At Cheval Blanc Kantiner A/S, we have a no-flight policy, and we aim to source all our ingredients from local businesses and farms with locally grown raw materials. This avoids the long transportation distances, it saves energy, and it prevents waste.

In 2019 we entered a collaboration with the organic food producer called Aarstiderne A/S. Every quarter, Aarstiderne A/S measure the carbon footprint of their raw materials and implement new eco-friendly initiatives in every part of their business. Aarstiderne supplies fruit and vegetables available in our canteens.

Our partnership with Aarstiderne are evolving in different areas of our business. They help us educate our staff in green dishes, the use of raw materials and new trends within the plantbased kitchen and product development.

### **CLIMATE ACTION**

We run two canteens in Denmark labelled with the Nordic Swan Ecolabel. These canteens have made great efforts to reduce the environmental impact of cooking. They comply with high requirements for energy conservation, waste sorting and the use of a certain proportion of organic raw materials. When we contract a new canteen, we offer the customer a green innovation check and help them integrate more sustainable energy solutions and energy conservation. Furthermore, we only use Eco-friendly labelled cleaning products in our canteens.

### **CLIMATE MONITOR FOR GREENER MEALS**

Meat and dairy account for approximately 15% of global greenhouse gas emissions which lead to climate changes. As a producer and supplier of food, we have a responsibility to work towards reducing  $CO_2$  emissions and the negative impact it has on people and the planet. Our new climate monitoring tool measures the  $CO_2$  footprint caused by meat consumption, which is one of the most contaminating foods consumed in traditional cuisines across the globe. By changing the types of meat that we eat, we can create a 40% reduction of our carbon footprint.

In 2021 our goal was to create a total of 25% reduction across our canteens.

To succeed with our mission, we needed to educate our employees and engage our customers, suppliers, business partners, and guests in the canteens.

As the first in the canteen business, we have developed a CO<sub>2</sub> calculator for calculating the CO<sub>2</sub> footprint from the meat consumed in our canteens. Our meat suppliers deliver the numbers of kilos used in each canteen and our calculator can calculate the kilos of the different meat types and their respective climate impact ranging from a light to a heavy impact. Our headchefs can follow their carbon footprint month by month and work on their menues to reduce further. To educate our chefs in this process.

We have created courses and webinars to teach our employees about ways to switch from meat to plant-based meals, and we maintain a continuous dialogue with our customers to ensure that we make the most climate-friendly decisions within our collaboration.

Further, we are developing a customer app which guides our customers towards a more climate-friendly path. We see the customer app as an important tool to create awareness on sustainability among our customers, employees, and consumers, who we want to help to make better informed and more sustainable food choices. With this initiative, we believe that we can contribute to a general change of attitude and culture in our eating and consumption habits.

In June and December, we evaluated the first year of the  $CO_2$  monitoring from our canteens.

Due to covid and the many lockdowns in our canteens, the data is not sufficient to set the right goals for 2022. So we have decided to measure another year where we are back to normal and our baseline will be more accurate.

Conclusions from the 2021 measuring: We see a reduction in the climate footprint of 28%, which corresponds to approx. 7.2 tons of meat less than in the baseline period in 2019. But due to the lower activity and thereby also less use of meat in general. The numbers are in some way misleading. It is a good thing we have lowered our emission, but we need the numbers when we have normal activity. Therefor we want to measure another year to get sufficient data, to set goals for 2023.

We are also developing a Power BI system, where information flows directly from our suppliers into the CO<sub>2</sub> calculator, so we secure the validity of the data in the future.

Our procedure for reducing our carbon footprint is as follows:

- Baseline measuring in 2022 tracking our carbon footprint from meat.
- Evaluation of collected data end of 2022
- Setting goals for 2023
- Informing consumers and clients about the benefits of choosing a more plantbased diet
- How to lower emissions from meat in the meals is made part of our new headchef academy

### **PACKAGING**

Disposable packaging for foods is practical and it helps the food to stay fresh and eatable for a longer time, but it also contaminates the environment and takes from the planet's resources. At the beginning of the pandemic, our use of disposable packaging was a great concern to us, but as we started to work on reducing our CO<sub>w</sub> emissions, we have been able to improve this part of our sustainable efforts. Very quickly we showed our customers, that it was just as safe to use regular plates and cutlery. And we stopped using single use plastic in most of our canteens in the second lockdown.

We still use single use plastic for our take-away meals that our customers bring home for dinner.

Today, we use food boxes where 70-100% of the food box is produced with recycled plastic. We continuously strive to keep up with the development and innovations on packaging that efficiently conserves the food, and we always seek the market for sustainable alternatives and follow the plastic regulatory.

### ANTI-CORRUPTION

It is Cheval Blanc Kantiner's policy and core value to follow national and international laws at all levels of our organization. We do of cause also comply with all internationally recognized standards.

Cheval Blanc Kantiner A/S does not trade with suppliers of goods or services if they significantly breach the guidelines of Anti-Bribery in accordance to the UN Global Compact and Code of Conduct. Bribery or corruption in any form is unacceptable.

We have not experienced or been made aware of any violations or misconduct to date. We will continue to focus on this matter, and management will continue to inform employees about our Code of Conduct and our zero tolerance in respect to corruption.



### KEY TARGETS FOR 2022

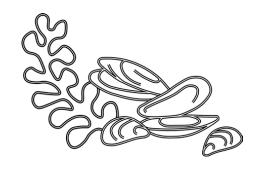
- Develop a Dashboard to get live data on a range of our sustainability goals
- 80% of our canteens must at least be certified with the organic bronze certification, that indicate 30-60% organic products in the eatery.
- 90% of all our canteens to get organic vegetables and fruit from Aarstiderne A/S.
- All our take-away must be packed in sustainable packaging
- All our canteens implement the new food waste measuring system. And we make a new baseline for reduction, based on our new concept of serving plated meals instead of buffet.

### We measure:

- Waste from production
- Buffet/single plate waste
- We measure the amount of plantbased and animal raw materials used in all of Cheval Blanc to get in sights for our strategy towards an 80/20.
- Reduce our meat-based carbon footprint by 20% in at least half of our canteens.

### Our approach is as follows:

- Baseline measuring tracking our carbon footprint of meat.
- 80% of our staff must attend at least one course in sustainable cooking





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