



Corporate Social Responsibility Report 2017



Our aim is to be a highly responsible and trustworthy supplier to the Scandinavian retail sector

Dear reader,

This is the first comprehensive sustainability report issued by Geia Food. We are excited about this opportunity to tell you more about how we work and what we believe in when it comes to the social, environmental and safety-focused efforts we are conducting on an every-day basis.

Geia Food is a leading independent food concept provider offering both customers and suppliers a one-point-of-entry platform into the Scandinavian market. We are specialized in supplying value-added conceptual category offerings and have strong partnerships with all well-known retailers in Scandinavia.

We are active in more than 10 different product categories and have an extensive network of suppliers around the globe. With local offices in Denmark, Norway, Sweden and Finland we are close to our main customers and are able to respond to local needs and consumer tastes.

Acting as a value-added link between a producer and a retailer is becoming more and more complex. In Geia Food we are constantly working on being a highly responsible and trustworthy partner with a solid understanding of our customers' needs and demands. We see ourselves as a solution provider enabling retailers and suppliers to focus on what matters in their day-to-day business.

To us, consumer trust is a key word. Consumers need to trust their chosen food outlet and they rightfully expect it to have not only the best products and prices, but also adhere to food safety, production ethics, animal welfare and other environmental aspects of their business. As a professional player in the food industry, we need to apply a sustainable way of working – from the top-tier/high priced/free range meat product to the most competitively priced item.



Does this make our job tough? Not really, but it makes our business a demanding yet rewarding one. Geia Food is privileged to have the drive and dedication for a long-term, sustainable perspective which is founded in the daily management, the board and the ownership. We have the resources to invest in development and improvement. Over the last year we have tripled the manpower of our quality department, and we are extremely proud to have achieved both BRC and IFS certifications for Agents and Brokers in the beginning of 2018.

This report hopefully tells you more about Geia Food and our aspiration: To be a highly responsible and trustworthy supplier to the Scandinavian retail sector.

Best regards

A handwritten signature in blue ink, which appears to read 'Claus Ravensbo'. The signature is fluid and cursive.

Claus Ravensbo
CEO

Sustainable value creation - Geia Food's dual model



Geia Food works with both retailers as well as producers of food. In order for us to establish and maintain strong relations to both stakeholder groups, it is imperative that we create value for both.

We do that by using a dual model for value creation:

For CUSTOMERS we create value by

- Offering in-depth knowledge of market dynamics
- Delivering fast time-to-market execution
- Partnering with best-in-class suppliers

For SUPPLIERS we create value by

- Offering access to a cost effective one-point-of-entry distribution network
- Delivering in-depth knowledge of customer demands
- Partnering with large retail chains with a demand for large volumes

Sustainable Development Goals

We do not in any way claim that one single company can commit to improving the entire world. But as a responsible company Geia Food is committed to playing our part and therefore we support UN's 17 official goals for sustainable development.

Looking at the core of our activities - finding, developing, importing and marketing a variety of food items for the Scandinavian retail market - we have identified the following 4 UN goals to be relevant for Geia Food to commit to and work with:



Applies to our focus area Food Safety.



Applies to all our focus areas.



Applies to our focus area Climate, Environment & Ecology.



Applies to our focus areas Animal Welfare and Climate, Environment & Ecology.

Geia Food in brief

Our vision is to become the undisputed leading food concept provider in Scandinavia.

We are a strong business partner with extensive expertise in frozen and fresh food, dairy and cheese, groceries and beverages.

We are supplying all major retailers in Scandinavia.

We are present in all Scandinavian countries with local offices.

We have a global network of best-in-class suppliers.

History and ownership

Geia Food was created January 1, 2014 as a merger between A-Frost A/S and Mortensen Food A/S.

In late 2017 the Norwegian investment company Credo Partners acquired 55 pct. of the equity of Geia Food. Ownership today is an active partnership between Credo Partners, the management group and the original private founders and shareholders.

Product categories

10

We are active in more than 10 categories

Products

2200

We have more than 2200 different products

Suppliers

200

We have more than 200 different suppliers

Countries

4

We are active in 4 Scandinavian countries

Employees

63

We are 63 employees worldwide

Turnover

180

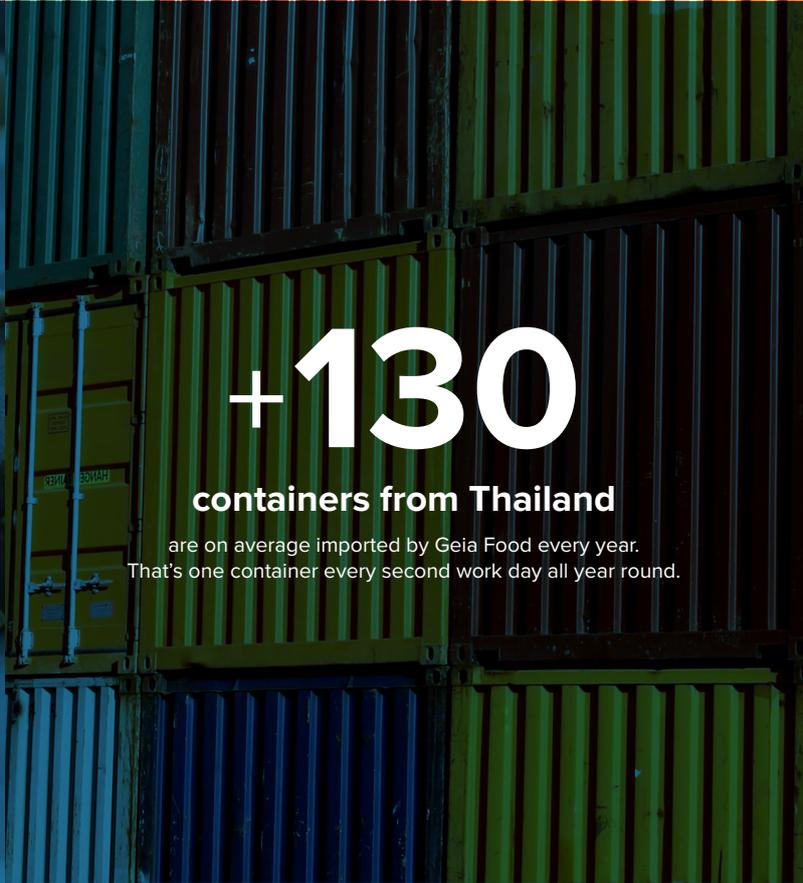
We expect a turnover of 180 mio. EUR i 2018



+100

million icecones and popsicles

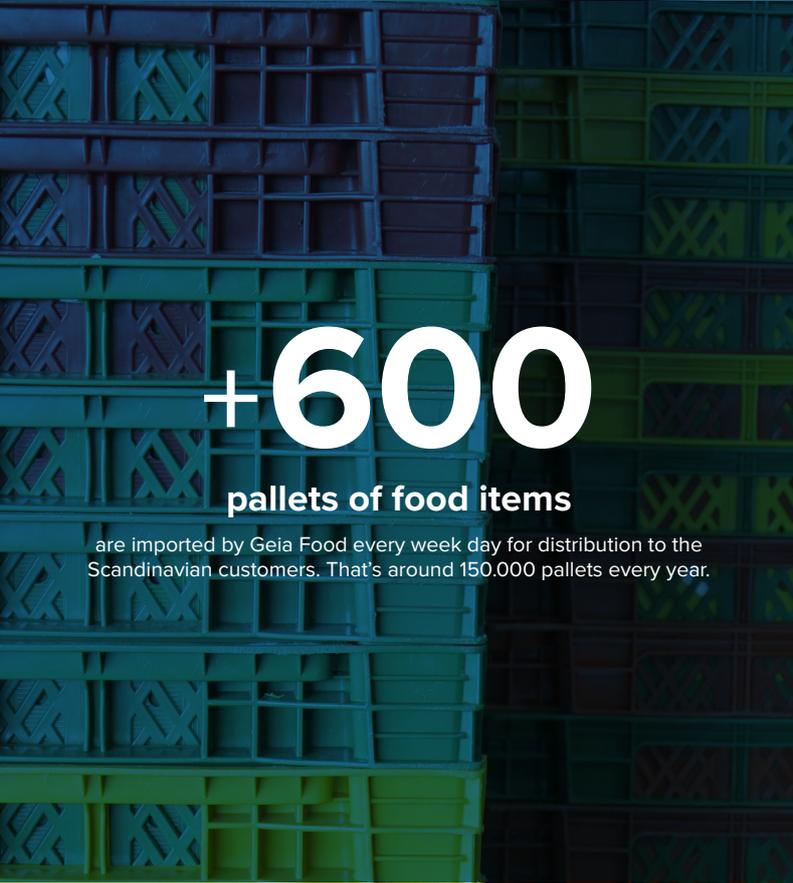
are sold by our company in a year. This means that every Scandinavian on average eats 4 ice creams from Geia Food every year.



+130

containers from Thailand

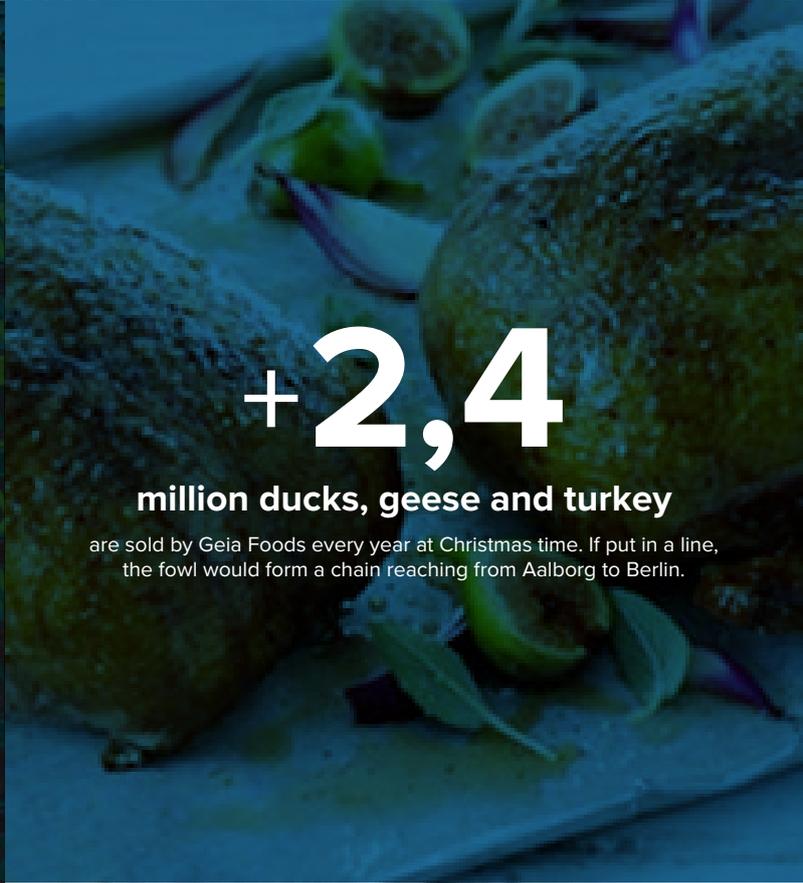
are on average imported by Geia Food every year. That's one container every second work day all year round.



+600

pallets of food items

are imported by Geia Food every week day for distribution to the Scandinavian customers. That's around 150.000 pallets every year.



+2,4

million ducks, geese and turkey

are sold by Geia Foods every year at Christmas time. If put in a line, the fowl would form a chain reaching from Aalborg to Berlin.



What we believe

Food safety is probably the single most important area of corporate responsibility for Geia Food. To be able to supply retailers with food products that are "certified safe" and trustworthy – both meaning that the products are safe to consume and also have credible labeling and information about the origin and characteristics – is our license to operate.

In today's globalized world there is a strong consumer demand for a diverse range of food products. Many of them are produced nearby, but consumers also expect their retailer to offer a variety of food items, some of them coming from faraway exotic regions.

This puts an added responsibility on Geia Foods as a leading supplier. Only by being able to document the highest possible level of food safety awareness and procedures at all times we will be able to remain at the forefront of this business.

What we do

- Geia Food has over the last year invested heavily in enhancing our internal quality procedures, tripling the manpower in this area.
- Our quality department is headed by Mr. Jørgen Bentzen who is one of Denmark's most qualified Quality Managers with a long track record within both industry and retail.
- Geia Food has in 2018 achieved quality certifications under these global standards:
 - BRC for Agents and Brokers, issue 1.
 - IFS Broker, version 2, higher level.
- This means that Geia Food has an independent 3rd party approval for our quality control and management systems. Among other things, the certification acknowledges that senior management has demonstrated commitment to food safety, that the company has qualified staff and documented procedures to assess hazard and risk and select the right suppliers and products.
- Geia Food is one of the first Scandinavian companies to achieve both certifications in our sector. Retailers in Scandinavia are increasingly demanding independent verification of their suppliers' ability to conduct proper food safety and quality control.
- Going forward Geia Food will prioritize working with suppliers who have the same level of quality and food safety certification as ourselves, thereby reflecting the demands from retail customers that we are subject to ourselves. Suppliers who do not meet the demands for certification, will be subject to individual auditing processes for us to verify their quality and safety procedures.





What we believe

As a supplier of a wide range of quality products within poultry and duck Geia is keenly aware of the increasing demand for products with a high and documented degree of animal welfare.

Consumers in Scandinavia have put this particular sustainability aspect very high on their everyday agenda. The demand for a decent and sustainable treatment of the livestock is in reality a demand on the people and companies in the primary production sector. On behalf of the retail customers and the consumers, it is our responsibility to know what takes place on the farms where live animals are bred for food purposes.

What we do

- Geia Food has since 2016 collaborated with "Dyrenes Beskyttelse" (The Society for Animal Protection), Denmark's oldest and largest organization of its kind.
- Dyrenes Beskyttelse offers guidance for consumers as well as businesses to secure that animal welfare and protection is taken into account at shop level. The organization offers formal certification of producers, and today more than 400 producers are certified and subject to yearly inspections by the animal welfare organization.
- In return the food producers under this certification are allowed to carry the label "Recommended by the Society for Animal Protection."
- Geia Food has introduced products from Gressingham Ducks, a renowned UK producer of duck and poultry with a high degree of animal welfare to the Scandinavian market (see specific case story on page 10).





What we believe

Geia Food has no production of our own. Therefore our climate footprint from own activities is limited.

Being a supplier of food to retailers in all Scandinavian markets, we as well as our customers are dedicated to the effort of minimizing food waste.

In a world where large number of people have too little food– and where the production of food in itself represents a use of global resources – the general opinion is that throwing out large quantities of unsold products is an unsustainable behaviour that no responsible company can condone. We share this belief.

Geia Food also works actively to promote organic food as part of our natural business activity. The consumer demand for organic food products is increasing all over the world, and especially the Scandinavian consumers are keenly interested in buying eco-friendly alternatives to conventional food items.

Scandinavian retailers are increasingly aware of the need to protect the life in the water. The demand for fish products that are certified sustainable is on the rise. In some cases, retailers have put ambitious short-term targets on themselves to have the majority of their fish sales certified under either the ASC (aquaculture) standard or the MSC (marine) standard within a few years.

What we do

- Geia Food supports the initiative "Fødevarerbanken" (The Food Bank), a non-profit organization dedicated to combatting food waste.
- The Food Bank receives food products from a variety of companies – products that are still fully edible, but for some reason not marketable any more in regular fashion.
- These products are donated via charitable and social organizations to people under social challenged conditions. In 2017 the Food Bank donated a total of 914 tons of food, equivalent of app. 2,3 mio. meals.
- The Food Bank is a member of FEBA (Federation of European Food Banks).
- 50 pct. of Geia Food's total fish sales are today ASC or MSC certified.
- Geia Food has worked actively with key suppliers such as Musholm (trout reared in the sea), Agustson (trout reared in fish farms) and Nordic Seafood (imported Pangasius fish and Vannemei shrimp) to have their products certified.



Quality control and supplier screening - how we do it

Geia Food does not have any production of its own. "But that does not mean we can take our responsibility lightly. On the contrary - we have to manage all kinds of risk factors regarding food safety. Therefore, we have put a structured process in place so that all our employees work under the same procedure when it comes to approving and controlling the suppliers of food items," says Jørgen Bentzen, Head of Quality at Geia Food.

Mr. Bentzen is a renowned food safety and control professional with more than 20 years of experience and a reputation for high ethics and uncompromising dedication. He has had a number of senior management positions in leading Danish food and retail companies, among them Dansk Supermarked and Dagrofa.

He took up the responsibility as Head of Quality for Geia Food in the spring of 2017 and has successfully been leading the process of securing the company's vital BRC- and IFS certifications.

Presently, Geia Food is handling more than 2.000 different articles from about 200 different suppliers. Managing a large and diverse range of articles must be done following systematic procedures.

"If an interest arises in a new product - whether a customer asks for it or one of our own, skilled sourcing managers sees a potential - there is a very precise set of procedures to be followed. All suppliers must be evaluated and a very specific risk analysis must be conducted," says Mr. Bentzen.

A key component is to classify the individual suppliers, depending on a number of factors, for example:

- Producers of meat, vegetables, fish, frozen and cooled goods are labeled high risk, while dry products and beverages range as low risk.
- Producers inside the EU/EØS/Norway areas range as a lower risk than producers outside this area.
- Goods where a large profit can be made from food fraud/false labeling, are also ranging higher in the risk assessment.

"In the process of approving a new supplier we ask a large number of questions. We ask about everything from microbiological control, to whether the product is organic, kosher or halal approved, whether cage eggs have been used, the level of animal welfare. We prefer suppliers holding a food safety certificate approved by Global Food Safety Initiative (GFSI) like IFS, BRC or FSSC 22000," says Jørgen Bentzen.



A duck with certified welfare



Duck is one of the cornerstones of the Geia Food product palette. The company imports millions of ducks every year from United Kingdom, Germany, France, Hungary and Poland.

Duck products are primarily destined for the Danish market and highly seasonal. Danish food traditions call for roast duck to be put on the table for Christmas and a few other specific holidays. 70 pct. of the Danish population adhere to this tradition, hence duck sales are booming in all supermarkets between October and December.

“This consumption pattern differs very much from what takes place in the production countries, where duck is consumed regularly. This is an advantage for us because we are able to collaborate and plan together with the producers for the high season peaks in our key market,” says product sourcing manager Anders Olsen of Geia Food.

A key supplier to Geia Food for more than 10 years is the British company Gressingham. This family owned business out of East Anglia specializes in high quality duck breeding and production for the majority of UK retailers.

Animal welfare is high on the agenda for British consumers, and the UK retailers are known for being highly demanding, subjecting all meat and poultry suppliers to a large degree of auditing and scrutiny.

Gressingham solely breed, hatch, and rear ducks on Red Tractor assured farms, which means they are regularly and independently audited across a wide range of standards covering animal welfare, bio security, food safety and the environment.

Geia Food together with one of the leading retailers of Denmark saw this as a further advantage and in 2016 went into a formal collaboration with “Dyrenes Beskyttelse” - the leading organization in Denmark devoted to animal protection and welfare.

This means that Geia Food can offer a duck product that is formally “Recommended by” the leading animal welfare organization - a traditional free range duck with a certified degree of welfare.

“This was only the second time that the animal welfare organization had approved a foreign supplier for this certification. During the collaboration, we have had a very open-minded dialogue and mutual learning process about how to control and improve animal welfare - something that we can definitely build on in the future,” says Anders Olsen.



The salmon that became land-based

Most people love fresh fish. But the increasing need for fish products in a fast-growing consumer world represents a number of environmental challenges.

First of all, there is a risk of overfishing - a popular fish can soon become an endangered fish. But the most logic way to steer clear of this - aquaculture production - also represents a number of challenges.

For instance, the widely used sea cage farming of salmon represents many concerns. The aquaculture population can, if not managed properly, spread diseases into the surrounding waters - or damage waters with pollution.

But in the north part of Denmark a production has been established to overcome these issues. Danish Salmon is producing environmentally sustainable salmon in a closed circuit of water tanks. Water is cleaned and recirculated and waste is disposed in a sustainable way, being put to good use for other farming industries.

Out of this comes a large, well-tasting production of land-based salmon - tasty, fresh and fully traceable.

Flemming Højer Sørensen, business unit director with Geia Food, points to Danish Salmon - the salmon that went on-shore in order to be more sustainable - as a good example of what the future of fish could look like.

"When you are dedicated to innovation that meet the consumer needs, then you have an obligation to constantly look for suppliers who have the guts and the competencies to develop new solutions for the wellknown challenges. Salmon is one of the most popular consumer products in the Scandinavian region. The traditional ways to produce it can still be sustainable and achieve full certification. But the imagination and drive of the people behind Danish Salmon is remarkable. After some years of challenges and skepticism, their products are really starting to catch on in the supermarkets," says Flemming Sørensen.



Sponsorships and local support

Geia Food supplies quality food for all Scandinavian countries, and in our search for products we are truly international in our mindset.

But we are also a local company, and in our natural home base – respectively Aalborg and Skælskør in Denmark, we are committed to local support and sponsorship activities. As a good corporate citizen we aim to support quality activities that make sense to both our employees and the communities we are part of.

Support

- Kræftens Bekæmpelse – national organisation for fighting cancer, support for yearly event
- GESTUS – fundraiser event for companies + other charities
- Dansk Folkehjælp – Christmas donation, charity for socially challenged families
- Julemærkehjemmet – donations for established Danish charity organisation helping obese or marginalized children

Sponsorships

- Team Skælskør Slagelse – playing in the national badminton league. Geia Food is main sponsor
- Aalborg Kongres- & Kultur Center – cultural institution. Geia Food is a local sponsor

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