



Non-financial Information Statement

YEAR ENDED 31 DECEMBER 2018



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Message from our Chairman



In forty years, the Le Duff Group has established itself on every continent within 100 countries. After conquering America, it quickly established itself in Asia a few years ago and continues to develop in Europe, the Middle East and also in Africa.

Our turnover grows year-on-year and we know that we still have a bright future ahead of us. We will continue to focus on simple concepts and principles: a "product" policy that is largely tailored to quality, taste, nutrition, health, prime locations and a warm welcome to customers.


We have developed our Corporate Social Responsibility (CSR) policy around consumers, our customers, employees, suppliers and the environment. The sustainable development of our activities as regards social and environmental aspects allows us to plan a stable and long-lasting future for our Group, its employees and future generations.

These are today the new indispensable stakeholders of our activities, communicating our commitments and our values. They are increasingly asking for responsibility, transparency and business ethics. As conscious consumers, we have become responsible actors, engaged in and concerned by the environmental, social and economic impact of our activities.

This social responsibility now plays an important role in the economic, social and environmental performance of our Group and will ensure its longevity.

It is everybody's responsibility: "We are all concerned, we must all be vigilant".

Louis Le Duff
Founder and Chairman

 Louis Le Duff
Président Fondateur

Regulatory and methodological context

A progress-oriented approach



Order No. 2017-1180 of 19 July 2017 requires certain consolidated companies of which the average workforce is more than 500 employees and the total balance sheet or turnover excluding tax is more than 100 million euros to publish a Non-financial Information Statement. The statement must be published and accessible on the company's website for five years.

Beyond the regulation, this first report of the Le Duff Group is also a tool for consolidating initiatives carried out within the Group's activities and for gathering together existing indicators.

The Le Duff Group wishes to capitalise on this approach in support of its CSR strategy making it a tool to manage the non-financial impact of its activities.

Study methodology

During the 2018 financial year, information was collected, existing initiatives were reviewed and meetings were held with decision-making stakeholders (purchasing, logistics, sales and marketing, property, maintenance and quality departments) at the Group level for its two main activities: Restaurant and catering and Industry.

In order to optimise this new approach, the Group brought in consultants specialising in CSR strategy.

The framework followed at the time of meetings was as follows:

1// Determining the main CSR risks and issues

- Existing risks and area
- Issues that the risks represent
- Policies, action plans and results
- Monitoring performance: indicators

2// Description of key performance indicators

- Selection criteria
- Uses and distribution
- Scope covered by the indicators
- Persons responsible for the indicators
- Data audit
- Potential and reliability of the reporting procedure, if there is one

3// Methodological details related to the indicators identified

List of issues

The analysis of information collected was used to determine the below list of issues, which are the most relevant to the Group's restaurant catering and industry activities. The related policies and relevant indicators put in place by the Group to address these issues are described in the rest of the report. The issues identified are understood as "non-financial risks" as defined by Article R225-105 of the French Commercial Code.

1. Responsible purchasing

- Relationship with producers and origin of supplies*
- Seasonality of products (restaurant and catering)
- Protection of the environment
- Animal welfare*

2. Product safety

- Ingredient traceability
- Process safety
- Health and nutrition

3. Supporting and developing talent

- Wellbeing at work
- Job accessibility (*including for those with disabilities)
- Gender equality
- Social dialogue
- Internal training and development
- Health and safety in the workplace

4. Social issues

- Combatting food insecurity and food waste*
- Protecting a culinary heritage

5. Environmental footprint

- Reducing packaging waste
- Recycling and recovering waste
- Energy performance
- Water efficiency
- Climate footprint

6. Business conduct and organisation

- Corruption and business ethics
- CSR governance



The information required in the Non-Financial Information Statement is the relevant one, as regards to the main risks and policies identified. However, there are some issues that must be addressed by all: measures taken for people with disabilities, combatting food insecurity, action promoting animal welfare and a responsible, fair and sustainable food industry. They are indicated by an asterisk in the list above.

The obligatory topics related to (i) collective agreements concluded in the company and their impact on the company's economic performance as well as employees' working conditions, and (ii) social commitments supporting the circular economy, are not dealt with in this report as their impact regarding the Group's issues is not considered significant.

Scope of the study

The policies and initiatives set out in this document as well as the related performance indicators concern the financial year beginning at 1 January 2018 and closing at 31 December 2018.

The operational scope of this document is as follows:

Scope: France

- Industry: activities carried out by Bridor France, FB Solution and Cité Gourmande¹
- Restaurant & catering: activities carried out by Brioché Dorée, Del Arte, Fournil de Pierre, Ginger's, Tablapizza and Restauration des Loges²
- Central services: activities carried out by the EIG GLD Services and Logistimax

All represent more than half of the Group's turnover.

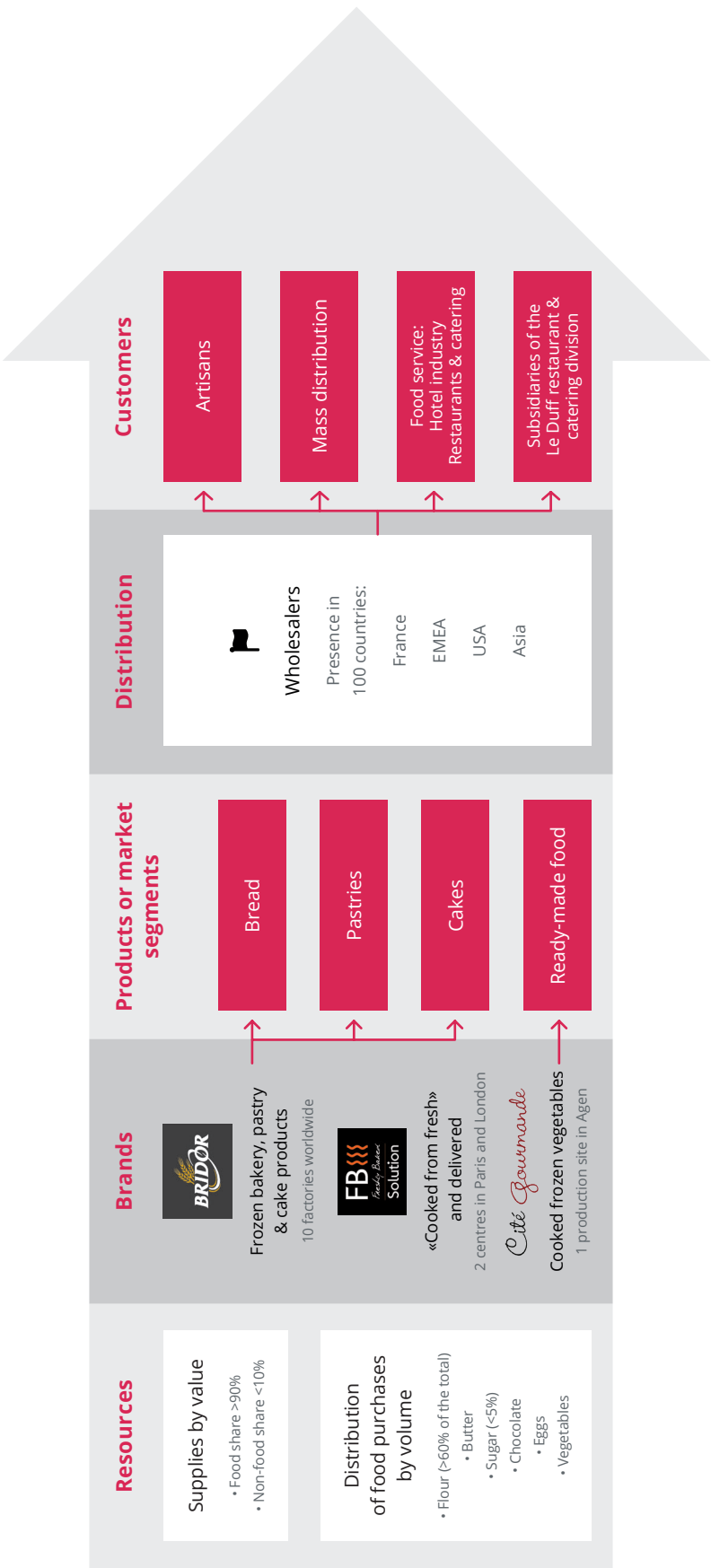
For this first consolidation exercise of the Group's CSR approach, and for this first Non-financial Information Statement, it has been decided to initially focus on the area above and then, at a later stage, progressively broaden it to the entire Group focusing on a base of commitments and robust monitoring.

¹ Bridor France is the largest brand within the industry sector

² Brioché Dorée and Del Arte are the largest brands within the restaurant and catering sector

Business models «Industry» business model

Value chain

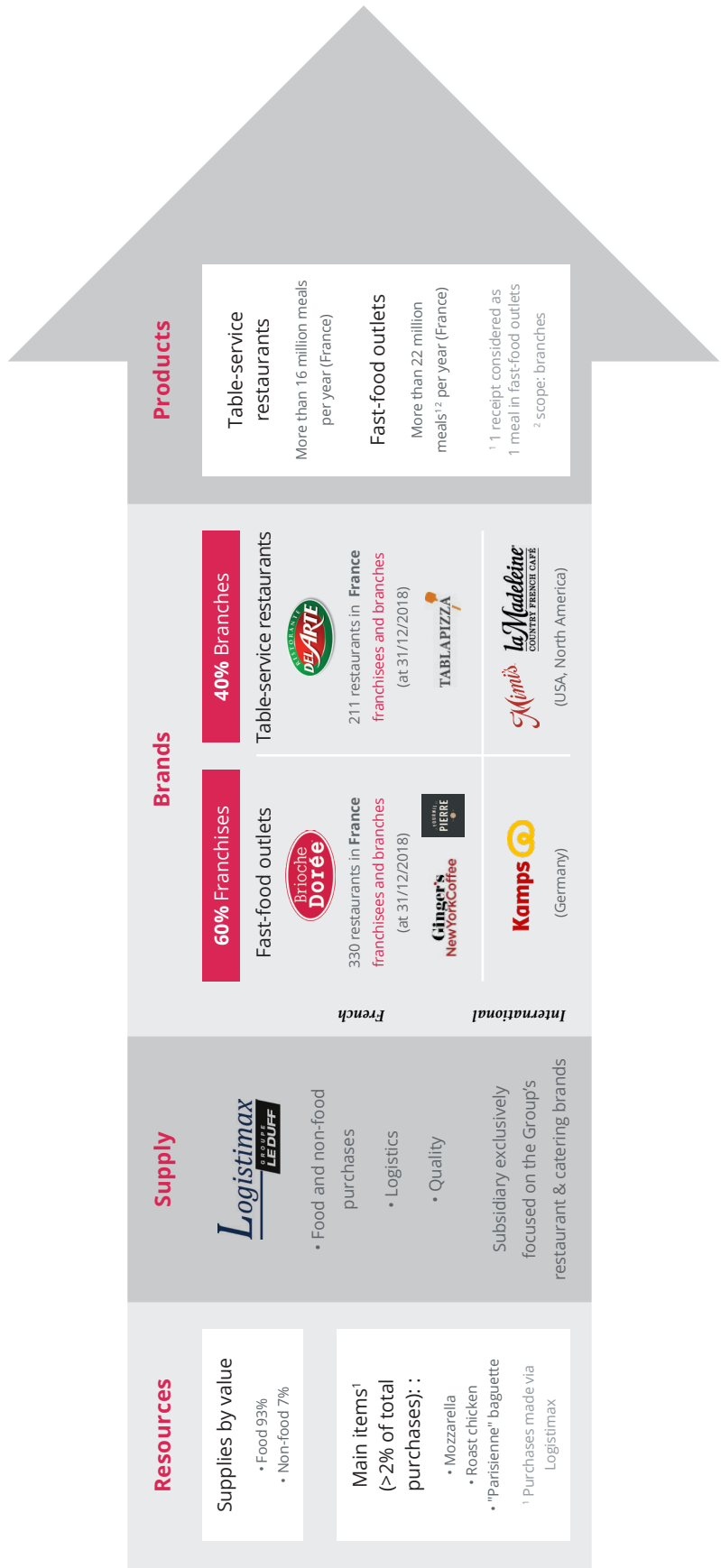


Major issues and achievements in France

<p>Upstream of the supply chain</p> <p><i>Bringing work to regional economies</i></p> <p>More than 80% of ingredients sourced are guaranteed to be of French origin ("origine France Garantie")</p> <p>Flour supplies from millers located < 200 Km away</p> <p>AOP butter sourced from the Charentes-Poitou region</p>	<p>Product Quality</p> <p><i>Promoting food quality and safety</i></p> <p>75% of Bridor France products are CLEAN LABEL (no artificial preservatives, hydrogenated fats, artificial sweeteners, artificial colours or flavours or glucose syrup)</p> <p>Gluten-free and organic ranges</p> <p>IFS and/or BRC, SMETA certified production sites</p>	<p>Talent</p> <p><i>Hiring, promoting equal opportunities and developing professional skills</i></p> <p>1291 employees in the industry division</p> <p>93/100 - gender equality index at Bridor France</p> <p>89% of permanent contracts in Industry</p> <p>Continual investment in employee health & safety at Bridor</p>	<p>Social issues</p> <p><i>Combating food waste and food insecurity</i></p> <p>Measures to combat food waste (optimisation of processes)</p> <p>Food donations to food banks and associations</p>	<p>Environmental impact</p> <p><i>Reducing and recovering waste and optimising energy and water consumption</i></p> <p>Waste recycling rate more than 90% for Bridor factories</p> <p>Irrigation programmes with farmers to recycle waste water from Bridor factories</p> <p>Completion of a carbon report</p>
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«Restaurant & catering» business model

Value chain



Major issues and achievements in France

<p>Upstream of the supply chain</p> <p>Bringing work to regional economies</p> <p>75% of supplies from French producers</p> <p>100% of chicken from French farms within the restaurant & catering division</p> <p>100% of meat of French origin at Brioche Dorée</p>	<p>Product Quality</p> <p>Promoting food quality and safety</p> <p>2,111 audits in restaurants</p> <p>27,981 microbiological analyses in restaurants</p>	<p>Talent</p> <p>Hiring, promoting equal opportunities and developing professional skills</p> <p>3075 employees in the restaurant & catering division</p> <p>84/100 - gender equality index at Brioche Dorée</p> <p>2 training courses leading to qualifications at Del Arte</p>	<p>Social issues</p> <p>Combating food waste and food insecurity</p> <p>Goal for end of 2019:</p> <p>100% of Brioche Dorée branches to be partners of Too Good To Go</p>	<p>Environmental impact</p> <p>Reducing and recovering waste and optimising energy and water consumption</p> <p>28,635 MWh of energy consumption for the restaurant & catering division in 2018¹</p> <p>¹ scope: branches</p>
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Getting involved in the supply chain

Relationship with producers and origin of supplies

Product origin and quality are major issues for the Le Duff Group, which tries to ensure that culinary and bakery knowhow is preserved. The Group is therefore conscious of ensuring the continuation of local farming and building strong relationships with the agri-food sector. For this reason, the Group's procurement policy focuses on products from French producers and local purchases. It prioritises short distribution channels as well as a long-lasting relationship with producers.

In the restaurant and catering division, several initiatives have been put in place in line with this policy:

- in 2017, the Group chose Galliance, the poultry division of the cooperative group Terrena, to supply its French restaurants with chicken. This partnership guarantees that the meat is exclusively from French farms and reinforces the Group's support for the national poultry industry;
- the bread and pastries of the Brioche Dorée brand are produced in the Bridor factories in Servon-sur-Vilaine (35) and Louverné (53) from flour purchased locally.

It should be noted that in 2018, fruit and vegetable supplies for Brioche Dorée went through the Logistimax platform. This distribution method enables the brands to acquire supplies directly from fruit and vegetable producers as soon as this is necessary rather than through distributors and wholesalers. This allows for better management of supplies and sectors as well as greater control over quality, origin and compliance with the seasonality of the products purchased.

Supplies for the Group's restaurant & catering business

In 2018, 75% of food products of the Group's restaurant and catering brands came from French producers and 17% from Italian producers (except for fresh fruit and vegetables, the origin of which can change depending on the season and availability), including 16 items with certificates of origin (AOP [protected designation of origin], AOC [controlled designation of origin], IGP [protected geographical indication], AB [organically farmed]).

Within Bridor France, the use of certified and local suppliers is prioritised. For several years, the company has been developing sectors (with labels) and partnerships making it possible to prioritise French sourcing (more than 80% in 2018) and quality as well as to sustain the relationships with producers.

Supplies for the industry division: Bridor France

100% of the flour used by Bridor is French and produced by local millers, i.e. located less than 200 kilometres from the factories.

In 2018, the butter with the AOP designation used by Bridor was from Charentes-Poitou, and 10% of the chocolate is fair trade or UTZ certified. In the medium term, the Group wishes to prioritise Fairtrade or UTZ cacao for the majority of its supplies.

Bridor is a supplier certified Origine France Garantie [French origin guaranteed] for the production of its products (bread, pastries and cakes).

For foreign products (cacao, nuts, etc.), Bridor uses certified intermediaries and works on the basis of specifications that state the purchasing conditions required in terms of quality and traceability.

In addition, Bridor requires its suppliers to sign an ethics statement for any new supply agreement put in place.

Consideration of environmental issues

Given its activities consume a large quantity of agricultural commodities, the Le Duff Group must think about its impact on the environment and ecosystem services that are provided to it. On the strength of its long-lasting relationships with its suppliers, the Group wishes to take part in building and developing more sustainable sectors through an approach that supports its suppliers.

For its bread, Bridor uses flour from the CRC sector (culture raisonnée contrôlée [compliant farming practices]). This sector brings together 2,500 French actors in the wheat industry who are committed to producing grains that are 100% French and grown according to best practices promoting biodiversity.

Organic products at Bridor

In 2018, 3.2% of flour volumes purchased for making Bridor products came from organic farming. In total, 2.4% of volumes purchased by Bridor are certified AB [organically farmed].

In addition, Bridor has a complete range of organic bread and pastries (8 product references).

These commitments also apply to Bridor packaging which it has been possible to fully recycle since 2017. All the boxes are FSC certified.

Consideration of animal welfare

To strengthen the long-term relationships built with its suppliers, the Group works alongside them to build sectors where animal welfare is a key priority. To date, the commitments undertaken concern eggs.

The restaurant and catering brands are committed to ensuring that 100% of their egg supplies will come from non-caged hens by 2025. At the end of 2018, they accounted for 30%.

For the Bridor brand, 36% of eggs purchased in 2018 came from barn hens. This figure will reach 100% for barn or free-range eggs during 2019, which makes Bridor one of the first manufacturers in France within the bakery-pastries-pâtisserie sector to give this guarantee.

Attention to seasonality by restaurant & catering brands

The Le Duff Group endeavours to offer its customers high quality products and ensure their seasonality is observed.

Seasonality commitments in restaurant & catering

The Group's restaurant and catering brands propose menus that promote seasonal fruits. Therefore, some fruits are only offered on the menu when in season. This concerns strawberries (mid-March to end of June), apricots (July-August) or cherries and melons (mid-June to beginning of September).

Ensuring product quality and safety

Ingredients and nutrition policy

Nutrition is a major concern for the Group in connection with its wish to satisfy its customers and provide them with healthy food with complete transparency.

Within the restaurant and catering division, the Le Duff Group pursues an "Ingredients and Nutrition" policy based on:

- firstly, implementing detailed and precise specifications for each new ingredient or food product listed, notably enabling GMO ingredients and food additives deemed unnecessary to be excluded;
- secondly, a commitment to transparency by systematically displaying the macro-nutritional details of products of each brand on their respective websites.

On the industry side, Bridor presents a catalogue of which 75% of recipes are Clean Label, i.e. no artificial preservatives, hydrogenated or partially hydrogenated fats, artificial sweeteners, glucose syrup or artificial colours or flavours.

In addition, through its innovations, Bridor is trying to meet consumers' new needs and expectations in terms of health and nutrition. The most conclusive recent examples concerned the following:

+ Focus on the "multi-fibre amibiote" – 2019 SIRHA Innovation Award

Stemming from 3 years of research and a clinical study, the Mie Biote is a multi-fibre baguette made of 7 different kinds of vegetable fibre that have been specifically chosen by experts of the French National Institute for Agricultural Research (INRA) for their beneficial effects on gut microbiota. This fibre contributes to maintaining a good level of cholesterol and mitigates blood sugar increases after a meal.

+ Focus on the gluten-free range – 2015 SIRHA Innovation Award

In order to meet growing customer demand, in 2014 Bridor developed a gluten-free range including four baked products: two breads, a brioche and a madeleine.

Bridor implemented a large research and development programme to make this range owing to a new selection of millet, rice and buckwheat flours.

Quality of ingredients

To ensure the quality of its ingredients in restaurants and catering, the Le Duff Group conducts supplier audits further up the supply chain which take place throughout the business relationship. Before listing products, each new supplier must complete a quality questionnaire used to assess the solidity of its approach and the quality procedures in place. On the basis of the results of this documentary audit and with regard to the health risk analysis of listed products, the quality department carries out, or arranges for another party to carry out, a quality audit on the premises of the production site. During this audit, all of the processes and the supplier's quality process are analysed and assessed. The objective of this step is to guarantee the brands and customers that products are healthy and conform to the legislation in force and requirements defined.

The quality of ingredients in restaurant & catering in figures:

In 2018, in addition to the analyses carried out by all of the Group's suppliers, the restaurant and catering division carried out 3,396 microbiological analyses on raw materials used to prepare dishes that concerned 845 products.

For industry, Bridor chose to prioritise suppliers with hygiene/quality certification. When this condition is not met, the Quality Assurance Department carries out an initial audit before approving any new supplier, according to standards set internally.

Process safety

By virtue of its activities in restaurant and catering and the agri-food industry, the Le Duff Group has a moral but also legal responsibility in terms of food hygiene and safety.

From the delivery of raw materials on the logistics distribution platform to restaurants, a very strict hygiene control plan is applied. Every week, an independent laboratory takes samples and analyses the raw materials and products according to a control plan, the frequency of which is related to several criteria: health risk, implementing conditions and consumption in restaurants, etc.

Within the framework of the hygiene control plan of the Group's restaurant and catering brands, food hygiene and safety audits are carried out in all the restaurants. The objective of these audits is to monitor the application of all the procedures of the hygiene control plan (HACCP, good hygiene practices, traceability procedures, self-checks, good storage and production practices, compliance with the cold chain, etc.). The audits are carried out by independent providers recognised in the field of food quality and safety. Each restaurant is audited at least once every quarter unexpectedly on 70 inspection points on average. Other advisory audits are carried out within a framework that seeks to continually improve and support certain restaurants, notably all the Del Arte restaurants.

In addition, all of the Group's restaurants benefit from ongoing training in food hygiene and safety. These training sessions are carried out at least once a year in all the restaurants by trainers of providers specialised in monitoring and supporting restaurants in food hygiene. 502 training sessions were provided during 2018.

Process safety in restaurant & catering in figures:

During 2018, 2,111 hygiene audits and 27,981 microbiological analyses were carried out in the Le Duff Group's restaurants.

In the industry division, the 5 French sites (the 3 Bridor France units in Servon-sur-Vilaine, Louverné and Pont-de-l'Isère, Cité Gourmande in Agen and FB Solution in Garonor) are BRC certified and the 2 sites of Servon-sur-Vilaine and Louverné are IFS certified, which makes it possible to guarantee very high standards in terms of food traceability and safety.

These sites are audited by certifying bodies or certain customers. In total, these audits represented 70 days for 2018.

Supporting and developing talent

Equal opportunities and non-discrimination

The Le Duff Group believes in developing and growing talent. This willingness to help its employees to develop both personally and professionally only makes sense if it ensures equal opportunities. For this reason, some of the Group's entities have put in place a set of agreements with social partners covering the following themes: parity, non-discrimination during hiring, access to training, equality in career development, remuneration and work-life balance.

The Le Duff Group undertakes to recruit its employees based on qualifications, skills and professional experience. These criteria also apply in terms of pay, working conditions, promotion, mobility and training.

The Le Duff Group is also committed to combatting any form of discrimination at work, promoting diversity and supporting as appropriate actions for addressing inequalities, in accordance with local legislation.

In order to support this non-discrimination policy, the Group's teams have several tools they can use to implement it but also improve it:

- training modules to prevent discrimination during hiring are planned in order to raise employees' awareness about current recruitment issues;
- training is given on welcoming foreign customers or customers with reduced mobility.

Furthermore, to pursue this approach of equal access to employment, each job offer published by the Group is also aimed at workers with disabilities.

Le Duff Group human resources in figures

In 2018, the Le Duff Group employed 4,366 employees (compared with 4,093 in 2017), 49% of which were men and 51% women. Those aged under 25 years represented 29% of the workforce for the Brioche Dorée brand.

In terms of equality, Brioche Dorée and Bridor have respective gender equality indexes of 84 and 93. In addition, each brand of the Group has a company-wide gender equality agreement.

The employment rate of people with permanent contracts within the Group was 90% in 2018. This rate is stable compared with 2017.

Access to employment

The Group's policy in terms of access to employment is set up as an extension of the equality and non-discrimination policies. Above all, its aim is to create a connection between the brands, the areas where they are established and their local ecosystems. It is in this respect that several partnerships have been set up.

Thus, the restaurant brand Del Arte strives to be dynamic in the areas in which it is established. For every restaurant opened (10 to 15 each year), 20 positions are created locally for which the brand prioritises permanent contracts of employment in order to be an attractive employer.

Training and development

Skills development is a key concern of the Group. Its various brands aim to support their employees with their plans and development throughout their careers.

This intention is realised in several ways. First of all, through the creation of Professional Qualification Certificates (CQP), the goal of which is to develop employees' skills. Secondly, through integrated training throughout each employee's career. They are trained from when they start in mastering the basic knowhow of the Group's businesses and main interpersonal skills required. Through continual training, the knowhow and interpersonal skills are then updated throughout their professional life. Finally, the development of a range of training courses via e-learning enables all employees to take part, including those who work part time or with franchises.

The Group also listens to its employees about their mobility. One of its goals is to promote internal but also geographic mobility. To do this, the Group has set up an inter-brand job exchange.

This employee training and support policy is illustrated by several programmes that have been put in place, in particular in the Del Arte brand. Among others Del Arte offers:

- the MUM (Manager Univers Marchand[department sales manager]) course that is a professional qualification equivalent to a baccalaureate + 2 years' higher education, offered since 2016 in partnership with the IGS group. For 9 months, Del Arte assistants follow a training course that combines internal training modules, manager support by the IGS group and taught modules via e-learning (52 hours to be completed). Currently, 2 classes of around 10 people have obtained the qualification. The goal of the MUM course is to boost the managerial abilities of employees and prepare them for their advancement within the brand;
- the MAG course, which is a multidisciplinary training course also open to employees of Brioché Dorée. The goal is to give participants a broader view of their field to prepare them for management;
- the pizzaïolo CQP, a 6-month work-study programme which includes theoretical teaching at head office, technical training acquired in the restaurant and e-learning. Since April 2018, the training department has been authorised to prepare candidates for this CQP. This training enables pizzaïolos cooks to gain greater expertise in their trade and obtain certification for their skills by the professional catering sector, thus improving their employability. A class from pizzaïolos has therefore been following this course since October 2018;
- the online publication of 70 recipe videos per year with the aim of providing continual training to the kitchen teams.

Professional training within the Le Duff Group

In 2018, within the Le Duff Group, 241 people have followed training courses leading to qualifications and 1,047 employees have benefitted from training. In total, this amounts to 37,233 hours of training given in 2018.

With digitalisation playing an ever-increasing role in learning methods, the Group's employees followed 11,452 hours of e-learning in 2018.

The Group's training initiatives also involve the franchisees, in 2018, 46% of face-to-face training hours were given to them.

Health and safety

The Le Duff Group employs more than 4,000 employees and has a duty to ensure their quality of life at work. It is one of the Group's key concerns.

Special attention is therefore paid to their health and safety. As part of the existing system, assessment of all risks to which employees are exposed is regularly updated and information or even training adapted to each position is given on the basis of the risks that it poses.

Accident prevention at Bridor France

In 2018, Bridor had a workplace accidents frequency rate of 37.

Within the Group, various training modules have been set up so as to ensure employees' safety but also that of consumers and customers. In particular, they concern fire safety and the prevention of road hazards for sales and marketing personnel. Started in 2018, the latter has already been given to 12 employees.

Regular visits are made by members of the CHSCT [Workplace Health and Safety Committee] to the Group's restaurants.

Bridor France regularly invests in areas related to health and safety. In particular, we can report the following investment:

- noise: installation of soundproofing panels, phone earpieces, measurement of noise levels, etc.;
- dust: installation of new suction and extraction systems;
- ergonomics: small material handling equipment (suction cups, pallet dispensers, etc.) and since the end of 2018 testing of exoskeletons at the Servon-sur-Vilaine factory, and the development of work stations to limit handling and prevent musculoskeletal disorders.

The Group's head office building in Rennes is certified *Haute Qualité Environnementale* (HQE) [High Quality Environmental standard] thanks to a specific design intended to bring about better-than-average indoor air quality and take into account the wellbeing of people on the premises.

Therefore, beyond the health and safety policy, the Le Duff Group supports initiatives promoting wellbeing and a healthy lifestyle for its employees. At the Group's head office in Rennes, sports facilities supervised by professional coaches have been developed. In addition, in order to encourage social connections, competitions are organised there as well as nutrition and wellbeing workshops run by the Group's R&D managers. These workshops are also opportunities for back-office departments to meet with operational departments. Finally, Bridor has established partnerships with crèches to support its employees during parenthood.

Social dialogue

The Le Duff Group pursues open and constructive dialogue with all of its social partners on subjects of common interest, including in particular health and safety in the workplace. Monthly meetings with the Works Councils are held in each entity of the Group.

Contributing to social issues

Food waste and insecurity

Food waste is a key issue for the Le Duff Group as a major player in restaurant and catering and the baking industry.

Initiatives to optimise and raise awareness are put in place upstream for each activity (production and deep freezing in industry, cooking in restaurant and catering):

- In order to avoid food waste, the Group endeavours to observe the "three thirds" rule for products used in restaurant and catering, i.e. that each of the three actors in the chain (supplier, warehouse and restaurant) can only hold the product for a maximum of one third of its lifetime.
- In the Del Arte restaurants, on-the-spot preparations for orders are prioritised for pasta, pizzas and mixed salads. This makes it possible to adjust, as far as possible, the production volume to customer needs and thus limit food waste.

In restaurants and warehouses, as soon as regulations allow, food donation initiatives are put in place and play a part in the Group's contribution to combatting food insecurity. For example, in 2018, the Group launched a pilot test on the mobile app "Too Good To Go" within its Brioche Dorée establishments in order to combat food waste by selling baskets of food not sold that day at reduced prices. The test carried out was conclusive and will therefore lead to 100% of the Group's branches being included in the "Too Good To Go" database by the end of 2019.

Culinary heritage

The Le Duff Group passes on a culinary heritage that it uses to preserve and inform: both through its bakery-pâtisserie manufacturer business - the bread, pastries and cakes being symbols of French gastronomy - and through its restaurant business, under its Del Arte brand, promoter of Italian cooking in France, and Brioche Dorée brand which promotes typical products of French terroir (pure butter pastries, stone-baked baguettes, Cantal cheese AOP, ham cooked in cloth, etc.).

Therefore, the Group is mindful of fully using authentic ingredients, produced in the regions supporting gastronomic traditions.

The Le Duff Group collaborates with those who hold the title of Meilleurs Ouvriers de France (MOF) [Best craftsmen in France] in selecting ingredients and products and in creating recipes. The Group thus brought in Jean-Jacques Massé (MOF Cooking in 1997) who supports it in creating recipes for its key brands, and Frédéric Lalos (MOF Bakery in 1996) who has created many types of bread for Bridor.

Managing our environmental impact

Waste reduction and recovery

Among all of the agri-food industries, the industrial bakery-pâtisserie sector is, according to Agreste, the largest producer of organic waste and second largest producer of other types of waste. Waste reduction and recovery is therefore a major issue for the Le Duff Group. The Group has embarked on an initiative to reduce packaging from sourcing and at this stage prioritises local management of its waste with regard to the restaurant and catering division.

The Group's packaging policy has led to several advances. All of the Group's fast-food subsidiaries have replaced plastic teaspoons with wooden stirrers provided on a self-service basis, which makes it possible to limit their consumption. Furthermore, a part of Brioche Dorée's salad offering has been changed so as to replace the plastic packaging with wood-based packaging manufactured in France. For its part, Del Arte initiated thinking on the issue of waste paper, notably realised by making all of its place mats from recycled paper.

Within the Group's industry activity, Bridor distinguishes itself in terms of waste management as a result of establishing several separate recycling channels: animal feed for organic waste or according to more traditional channels for other materials (cardboard, plastic, wood and metal).

It should also be noted that 90% of pallets used by Bridor are European EPAL pallets which can be exchanged worldwide.

Waste management in Bridor factories at Louverné and Servon-sur-Vilaine

In 2018, the average waste rate for these 2 sites was 3.8% of the volume produced. The majority of this waste was recovered or recycled, representing a total recycling rate of 91% in 2018.

At the Group's head office, several initiatives have also been put in place, starting with raising employees' and visitors' awareness about waste separation. To do this, cup collectors, waste separations bins as well as explanatory signs have been installed close to the break, restaurant and meeting areas. Furthermore, employees are encouraged to print less and sort paper. In 2018, 4.5 tonnes of paper was collected and then recycled, representing a saving of around 90,000 litres of water or 4,000 litres of oil over the year.

Finally, general services are available to employees to ensure the sorting of electronic waste.

For its part, Brioche Dorée set itself the goal of replacing all plastic cutlery with biodegradable wooden or bamboo cutlery, compostable on its premises, by 2021.

Reducing our energy consumption

The Le Duff Group has embarked on an initiative to reduce its energy costs both in its restaurants and in its factories. From the design of products to the construction of new restaurants, teams of trained employees continuously work to design sustainable solutions.

Several concrete actions have been put in place within the restaurant and catering brands. For example, LED lighting is systematically installed when changing any light fittings, making it possible to reduce the artificial heat created while benefitting from greater longevity. This strategy reduces energy consumption and improves the comfort of employees and customers.

In addition, the Del Arte restaurants opened since 2013 are equipped with hot water heat pumps to produce domestic hot water, thus meeting standard RT 2012. These installations make it possible to reduce electrical energy by two thirds compared with standard hot-water systems.

Finally, the cooking stations within the Del Arte network are progressively being equipped with induction hobs, which consume less energy, do not need to be preheated and there is no thermal inertia. Brioche Dorée is equipped with automatic ovens, programmed according to the recipes, which do not consume energy while they are not cooking. These two initiatives also provide greater comfort and safety for employees.

Energy consumption of the Group's restaurants in 2018

In 2018, the consumption of the Group's restaurant and catering division in France was 28,635 MWh (on the basis of 227 branches), corresponding respectively to 0.8 kWh per meal served in fast-food outlets and 2.8 kWh per meal served in table-service restaurants.

For the Group's industry business, electricity and natural gas are used in production, cooking and deep-freezing activities. They are precisely monitored and form part of action plans intended to reduce them.

It should be noted that Bridor France now encourages LED lighting for its sites. The new Louverné site commissioned in 2013 is fully equipped with LED lighting and the historic site of Servon-sur-Vilaine has launched a plan in the medium term to progressively convert all its workshops and lines to this LED technology.

Bridor's energy consumption in 2018

In 2018, the energy consumption of Bridor factories amounted to 483 kWh of electricity per tonne produced and 157 kWh of gas per tonne produced.

At the Group level, the commitments in terms of reducing energy consumption are particularly illustrated by the Haute Qualité Environnementale (HQE) certification given to the head office in Rennes. This certification guarantees the implementation of the best current practices in terms of energy performance at the time of the design and construction of the building.

Optimising water consumption

Whereas it is difficult to estimate water consumption in restaurants, it is however proven that the agri-food industry is one of the sectors that consumes the most water in France. Water management is therefore one of the Group's primary concerns.

In the Group's restaurant and catering brands, steps have been taken concerning the restaurants' water treatment with the installation of softeners and reverse osmosis units (membrane filters). This can reduce the formation of limescale and impurities, with the effect of limiting marks on kitchen items (plates, cutlery, glasses, etc.) and therefore reducing the need for rewashing.

Within Brioche Dorée, the new ovens are self-cleaning according to predefined cycles, thus optimising the volume of water and quantity of cleaning products required.

In its Louverné and Servon-sur-Vilaine factories, Bridor uses all of the waste water from production to irrigate surrounding agricultural fields. This water is collected, filtered and sent to holding tanks before being tested prior to irrigation. This is carried out as part of tripartite irrigation agreements between Bridor, DREAL Brittany [Regional Directorate for the Environment, Land-Use Planning, and Housing] and the farmers concerned.

Bridor's water consumption in 2018

In 2018, Bridor consumed 1.64m³ per tonne of products. From this volume of water, 0.50m³ were then used for irrigating neighbouring agricultural fields, i.e. 31% of the volume initially consumed.

Climate footprint

The Le Duff Group's climate footprint corresponds to the impact that its activities have on the climate, in particular through greenhouse gas emissions that they generate. According to ADEME, 23% of greenhouse gas emissions generated by French households are related to the food products that they consume. All stages of the chain are concerned, starting with agriculture, on which the Group's activities are based, and which represent 19% of French greenhouse gas emissions. The climate footprint is therefore a real issue for the Group.

It is an issue of which the Group is aware. An initial initiative was therefore undertaken in the industry division with a carbon footprint produced for Bridor in 2017. It concluded that 70% of Bridor's carbon footprint was due to butter, which is a key raw material in making its products. Employees' business trips represent less than 2% of the carbon footprint.

In terms of the quantity of products sold, this is equivalent to 4.2kgCO₂ that is emitted when producing one kilo of Bridor products.

Ensuring business ethics and combating corruption

Since 2018, the Group has put in place a set of procedures intended to better control its activities and meet the requirements of these regulations.

Fair and healthy competition

The free enterprise system assumes fair competition, which is why the Le Duff Group bases its choices on objective criteria (price, service, quality, etc.).

Corruption and influence peddling

The Le Duff Group promotes high standards in the conduct of its business and ensures that professional choices are based on objective criteria. Therefore, none of the Group's employees may, directly or indirectly, offer, promise, give, solicit or obtain undue advantages in any form whatsoever, in return for another advantage or which would have the effect of changing professional behaviour, particularly in the areas of procurement and brand development. Similarly, the Group prohibits the financing of political parties, trade unions, and cultural, religious or charitable organisations in order to obtain or retain an undue advantage.

For example, the Le Duff Group prohibits all employees from:

- giving customers and/or suppliers preferential terms of sale or purchase in exchange for kickbacks or personal benefits;
- facilitating the recruitment of a close relative or friend by a third party in exchange for a favour.

To ensure that it observes its commitments, the Group implements a policy to prevent corruption and influence peddling: corruption: zero tolerance.

Gifts and hospitality

Gifts are perks of any kind given by someone as a sign of gratitude or friendship, without expecting anything in return. Offering or being offered meals, accommodation and entertainment (shows, concerts, sport events, etc.) is considered as an invitation.

Relevant principles and rules:

Gifts and invitations can resemble or be perceived as acts of active or passive corruption. Vigilance is also needed in relation to gifts, polite gestures, hospitality (received or given) and invitations to events that contribute to establishing good relations but may be considered as a means of influencing a decision or favouring a business or individual.

In any case, the following is prohibited:

- giving, offering or accepting from a third party gifts or favours in the form of money, cryptocurrency, loans, commissions or other similar monetary benefits, whatever their value;
- giving, offering or accepting gifts at a strategic point in time (call for tenders, signing of agreements, a vote, etc.);
- giving or offering gifts to authorities or public agents that may adopt or make a decision concerning the Le Duff Group: any demand for or offer of bribes or illicit payments must be expressly rejected and immediately reported.

In case of any doubt, employees can consult their line manager and the Compliance Department.

Conflicts of interest

Every employee of the Le Duff Group must avoid their personal interest, material or moral, conflicting with the interests or strategy of the Group.

The Le Duff Group encourages every employee to report the occurrence of any such situation concerning them personally or one of their close friends or family.

Money laundering

The Le Duff Group therefore undertakes to exercise vigilance regarding financial flows that may originate from or be intended for a criminal activity.

Sales & marketing information

The Le Duff Group aims to prepare sales and marketing information that is transparent and true about the products that it produces and markets. The Group ensures that it does not provide false information about products and services in their advertisements, public statements and advertising and promotional campaigns aimed at their customers.

Governance of ethics and CSR

During 2019, the Group plans to structure the ethics by implementing an internal whistle-blowing system and creating a Group Compliance function.

Whistle-blowing system

Reminder: Law No. 2016-1691 called "Sapin II" of 9 December 2016 on transparency, combatting corruption and modernisation of the economy and Law No. 2017-399 of 27 March 2017 on the duty of care of parent companies and contracting and instructing companies require the companies subject to these laws to implement a whistle-blowing system.

The purpose of the whistle-blowing system will be to support our employees' means of expression so that each individual can play an active role in risk prevention. Employee means (i) any company employee and (ii) any external employee (any employee of a service provider or supplier).

The whistle-blowing system will enable each employee to report in particular:

- any act or situation of corruption;
- any act or situation of harassment or discrimination;
- any act or situation related to the duty of care;
- any breach of ethical and professional principles and rules set out in the Group's Code of Business Ethics;
- any crime or offence;
- any serious and clear breach of an international obligation duly ratified or approved by France;
- any violation of a unilateral act of an international organisation adopted on the basis of such an obligation;
- any violation of the law or regulations;
- any serious threat or harm to public interest;
- any quality-related constraint (for Bridor (BRC)).

CSR governance

A structured compliance function for the Group intended to oversee disclosures, and deal with the most important ones, and monitor the effectiveness and improvement of compliance programs will be put in place.

Table of indicators

Area	Group of issues	Indicators	VALUE IN 2018	Unit	Activities	Scope
Purchasing	Relationships with our producers and origin	% of supplies in volume produced in France for restaurant & catering	75.3%	%	Restaurant & catering	Restaurant & catering France
Purchasing	Animal wellbeing	% of egg supplies from barn eggs - Bridor	36.4%	%	Industry	Bridor France
Purchasing	Animal wellbeing	% of products containing barn eggs or free-range eggs - restaurant & catering	29.8%	%	Restaurant & catering	Restaurant & catering France
Product quality and safety	Process safety	Number of hygiene audits carried out in restaurants	2,111		Restaurant & catering	Restaurant & catering France
Social	Non-discrimination	Schiappa index - Bridor	93	Score out of 100	Industry	Bridor France
Social	Non-discrimination	Schiappa index - Brioche Dorée	84	Score out of 100	Restaurant & catering	Brioche Dorée France
Social	Health and safety	Frequency rate	37.29		Industry	Bridor France
Environmental footprint	Reducing and recovering our waste	% of waste produced at Bridor factories (% of the tonnage produced)	3.8%	%	Industry	Bridor France
Environmental footprint	Energy performance	Electricity consumption (kWh/T produced)	483	kWh/tonne	Industry	Bridor France
Environmental footprint	Energy performance	Restaurant & catering electricity consumption - per meal (Fast-food outlets / table-service restaurants)	0.8 / 2.8	kWh/meal	Restaurant & catering	Restaurant & catering France