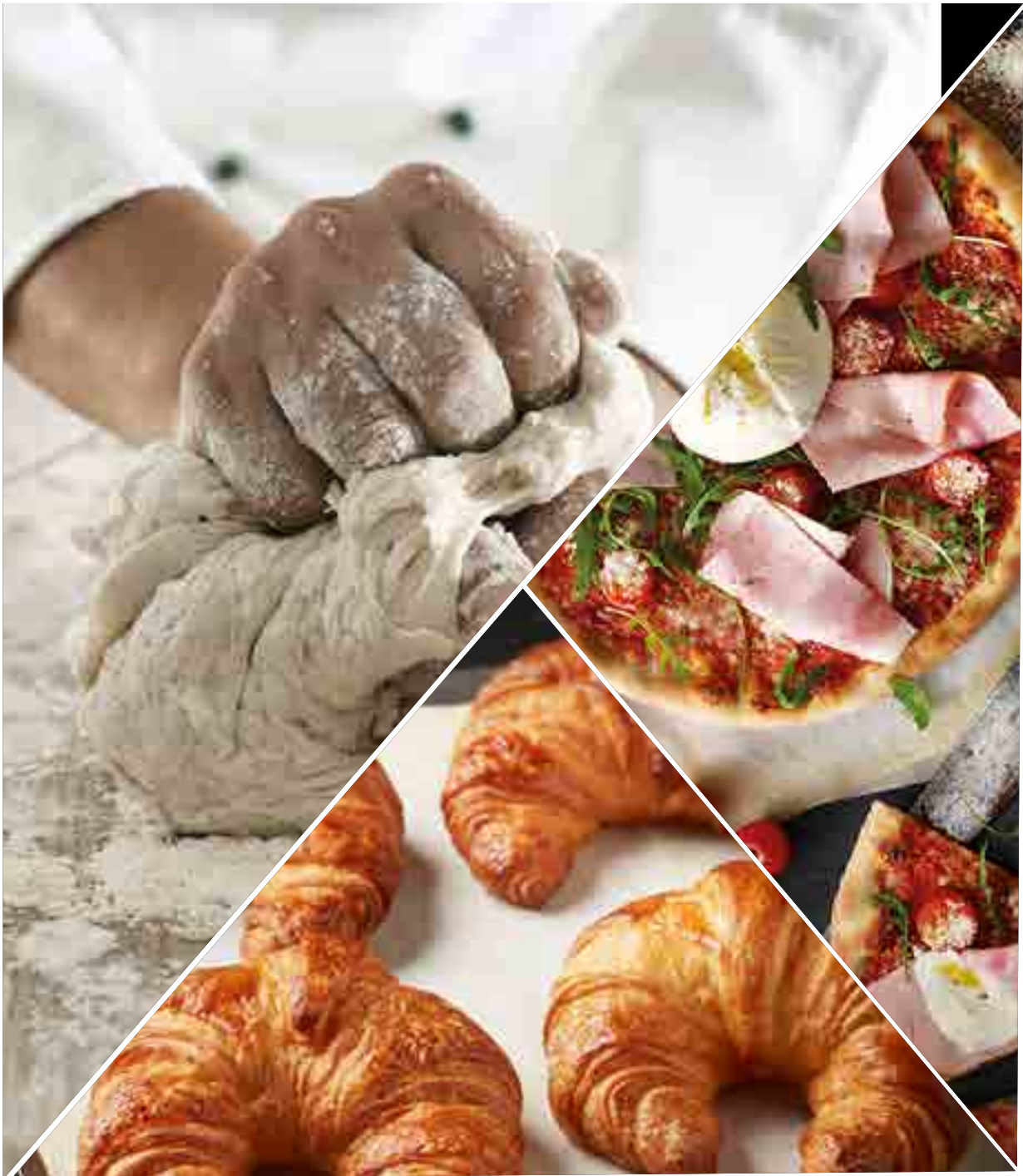


Statement on Extra-Financial Performance



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#OI / *Forword from our chairman*

“ In 2019, the LE DUFF Group equipped itself with additional human and financial resources enabling it to identify and structure all of its social, societal and environmental responsibility initiatives.

Over the course of 2019, this societal responsibility – our societal responsibility – has taken on a new dimension. We have strengthened our principles based chiefly on a «product» policy that is firmly focused on quality, flavour, nutrition and health, supported by first-class sites and friendly customer service.

We firmly believe that this will provide the foundations of a more solid long-term future for our Group, our employees, and all future generations. In 2020, this second Statement on Extra-Financial Performance (Déclaration de Performance Extra-Financière or DPEF) extends to all our operations throughout the world. It is a world that I set my heart on conquering from the very early days.

Just over 35 years ago, Bridor opened its first Canadian plant near Montreal. Bridor now operates in over 100 countries.

Moreover, our food service business gained momentum across the Atlantic in 2002 with the acquisition of La Madeleine in the United States. This was followed by the opening of the first Brioche Dorée outlets in Argentina and across Europe. Our German business experienced considerable growth in 2015 with the buyout of the Kamps bakery chain. Our brands' franchisees now operate on almost all continents.

This global dimension is hard-wired into our DNA. It forms the core of the Group's development and growth strategy. For the purposes of this report, we address this extensive global presence in stages. Our aim is to continue this process and instil our businesses and international subsidiaries with our Group's commitments and values.

At the time of writing, France and the world are in the midst of an unprecedented health crisis. As such, it is more crucial than ever to reinvent ourselves and show agility.

Within the Le Duff Group, all our employees, franchisees, chefs and bakers have risen to the challenge, exhibiting great solidarity with those who have been affected or those striving to tackle this pandemic.

We will continue on this path of corporate social responsibility. It is everybody's responsibility : «We are all concerned, we must all be vigilant” ”

Louis Le Duff, President and Founder



#02 / Regulatory and methodological background

2019 : A YEAR OF GLOBAL AND STRUCTURED CSR REPORTING

For this second financial year of extra-financial reporting, the LE DUFF Group has endeavoured to extend the scope of qualitative and quantitative reporting to its international subsidiaries. This extension of its scope is the result of the Group's global expansion strategy and provides us with a more accurate picture of the current situation on a larger scale.

Opting for a pragmatic approach, the Group has defined key priorities, which translate as concrete policies and measures at brand level.

The Group views the DPEF as an opportunity to:

- ▶ identify good practice in its brands
- ▶ roll out appropriate policies (HR, QSE,...)
- ▶ lay the foundations of a Group CSR policy

DATA GATHERING

In 2019, information was gathered, existing initiatives were identified, and interviews were conducted with internal decision-making stakeholders (purchasing, logistics, marketing and sales, real-estate, maintenance and quality managers) at Group level for its two main businesses – food service and industry in France and around the world. ***Some 30 internal interviews were conducted in total.*** To gain a better understanding of its process, the Group has sought specialist advice on its CSR strategy.

All Group operations have been impacted by the COVID-19 crisis since March 2020, which has been a barrier to gathering and analysing data

The Group will measure the impact of this unprecedented crisis in the DPEF for the 2020 financial year.



Summary of regulations



In France, some companies keeping consolidated accounts whose average workforce is over 500 employees and whose balance sheet total or turnover before tax is over €100 million are required to publish a Statement on Extra-Financial Performance (DPEF) under Ordinance no. 2017-1180 of 19 July 2017.

This statement must be published and available on the company's website for 5 years.

#02 / Regulatory and methodological background

Summary of regulations



Any information that is relevant to the main risks and policies identified must be included in the DPEF. The following details are compulsory:

- impact of the Group's business and use of the goods and services it produces on climate change
 - its societal pledges on sustainable development, the circular economy, and tackling food waste
 - collective agreements signed within Group entities and their impact on economic performance and employees' working conditions
 - measures on tackling discrimination and promoting diversity
- Issues relating to these themes are indicated by asterisks (*) in the list below.

Compulsory themes relating to:

- collective agreements signed within Group entities and their impact on the company's economic performance and employees' working conditions and
- societal pledges on the circular economy, are not addressed in this document as their impact on the Group's issues is not considered significant.

LIST OF ISSUES

Based on an analysis of information gathered through the internal interviews and the document review carried out in 2018, **a list of relevant and significant issues** was drawn up for the Group's food service and industry businesses.

These identified issues are considered as «extra-financial risks» in accordance with Article R225-105 of the French Commercial Code. **The process of identifying social and environmental risks** related to these issues is ongoing in connection with the **2020 Due Diligence Plan**.

The associated policies, commitments, measures taken, and relevant indicators introduced by the Group to address these issues are described hereafter.

#01 Governance and business ethics

- CSR governance
- Business ethics – anti-corruption and prevention of conflicts of interest

#02 Responsible purchasing

- Relations with producers and sources of supplies
- Environmental issues relating to upstream agricultural processes
- Animal welfare issues within networks
- Efforts to use seasonal produce

#03 Product safety

- Nutritional balance of products and ingredients
- Ingredient traceability and quality
- Process safety

#04 Supporting and developing talent

- Equal opportunities and non-discrimination*
- Maintaining local employment
- Training and skill development
- Occupational health and safety
- Social dialogue*
- Well-being at work

#05 Societal issues

- Tackling food waste and insecurity*
- Protection and transmission of culinary heritage

#06 Environmental footprint

- Reduction, recycling and recovery of waste*
- Energy performance
- Saving water
- Protecting biodiversity
- Climate footprint*

Since the LE DUFF Group's operations are similar in other countries, the list of issues **remains unchanged for this second financial year**, with the exception of:

- The Protecting biodiversity issue, which was added this year as it was identified in the risk assessment performed for the Due Diligence Plan.
- The «Accessibility of employment» issue, which was renamed «Maintaining local employment» for greater clarity.
- The «Training and skill development» issue, which was renamed «*Skill development and mobility*»



#02 / Regulatory and methodological background

SCOPE OF THE REVIEW

The policies and measures described in this document along with the associated performance indicators relate to the financial year commencing on 1 January 2019 and ending on 31 December 2019.

The report for the 2018 financial year only covered France, which represented 54% of the Group's turnover at the time.

Laying the foundations for a global CSR strategy, **the LE DUFF Group extended the scope of the 2019 DPEF to its operations around the world ⁽¹⁾.**

GRADUAL IMPLEMENTATION AND QUALITY OF THE PROCESS

While social and environmental issues have been rooted in the Group strategy for many years, the structuring process begun in 2018 is new and therefore gradual. A stepwise approach has also been taken to the Group's DPEF. The Group's first DPEF in 2018 focused on operations in France as the Group's traditional heartland. This second DPEF addresses the global dimension of LE DUFF Group operations.

Every year, the Group strives to improve its processes in order to improve the way it records commitments made and measures introduced, ensure that these are monitored, and measure their results. This document is certain to evolve each year and closely reflect changes in the Group in terms of the indicators included, the brands represented, and the countries covered.

It should be noted that the Group sold off the Mimi's food service brand in the United States in early 2020⁽²⁾. Since the aim is for this to be a qualitative and long-term process, it was not considered appropriate to refer to Mimi's in this statement.

The scope covered by this document therefore represents 94% of the Group's revenue as at 31 December 2019.

(1) Since the scope of the 2019 DPEF has been extended, we have no historic data on the global dimension. An overview of the scope covered for 2019 can be found on page 76 of the DPEF.

(2) Turnover of the Mimi's food service brand in 2019: €146.1 M

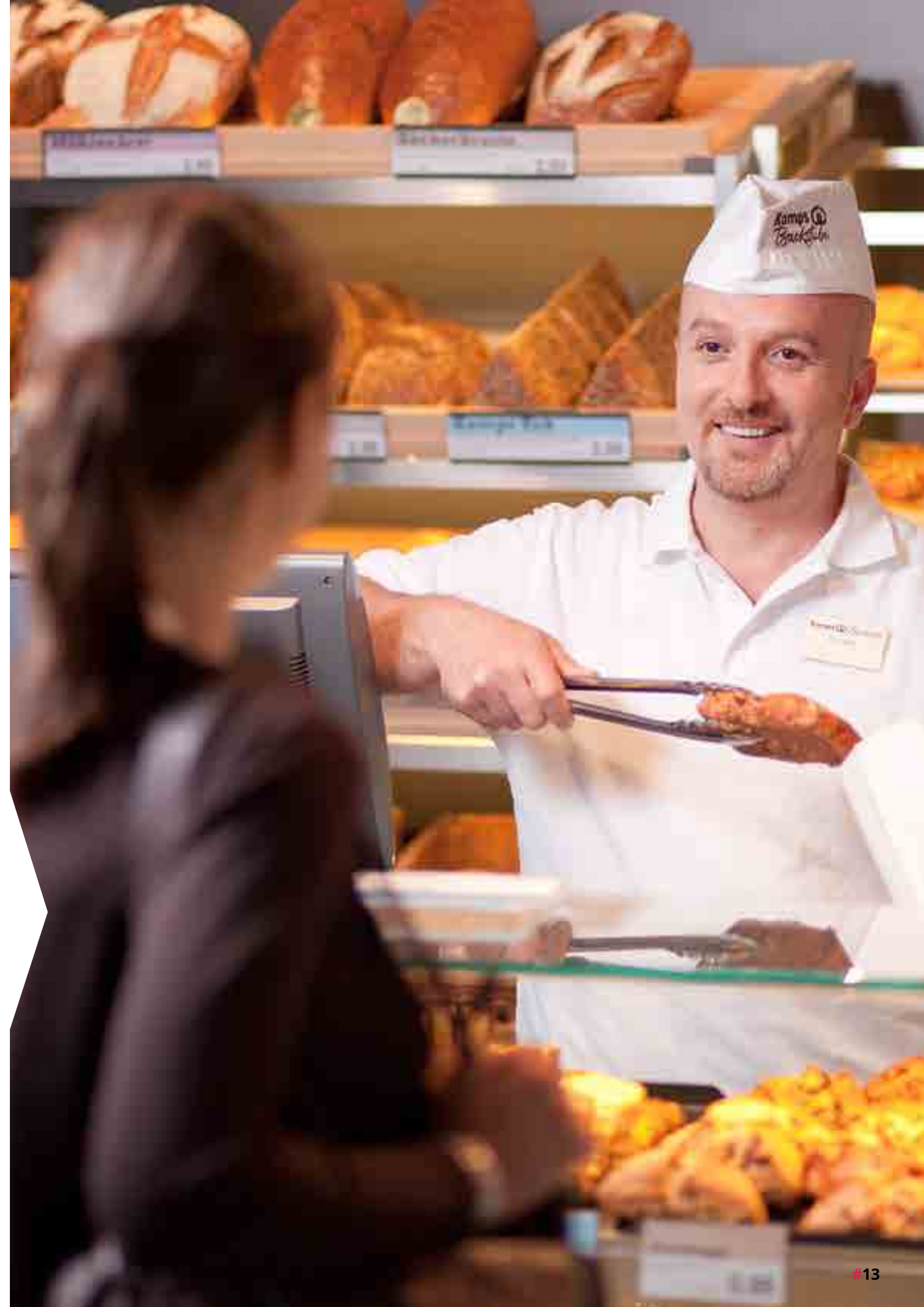
#03 / Business models

The LE DUFF Group is a conveyor of culinary heritage, which it strives to protect and promote through: its industrial baking and patisserie business (bread, pastries are symbols of a typically French brand of gastronomy) – and its food service business through its brands Del Arte, promoting Italian cuisine in France, Brioche Dorée, championing iconic traditional French products, Kamps, offering a wide range of traditional breads in Germany, and La Madeleine whose focus is on French-style café bakeries in the United States.

The LE DUFF Group works with top bakers and chefs, institutions, and nutrition experts to devise healthy recipes (gluten-free, high-fibre, organic, etc.).

The LE DUFF Group has built its success on the priority it gives to high-quality, healthy food. Every year, the Group opens new establishments and is a large-scale recruiter of talent in France and throughout the world.

The LE DUFF Group seeks to combine global expansion with respect for local baking and culinary cultures.



#03 / «Industry» business model

THE VALUE CHAIN

RESOURCES

Supplies by value:
Food supplies > 90%
No Food supplies < 10%

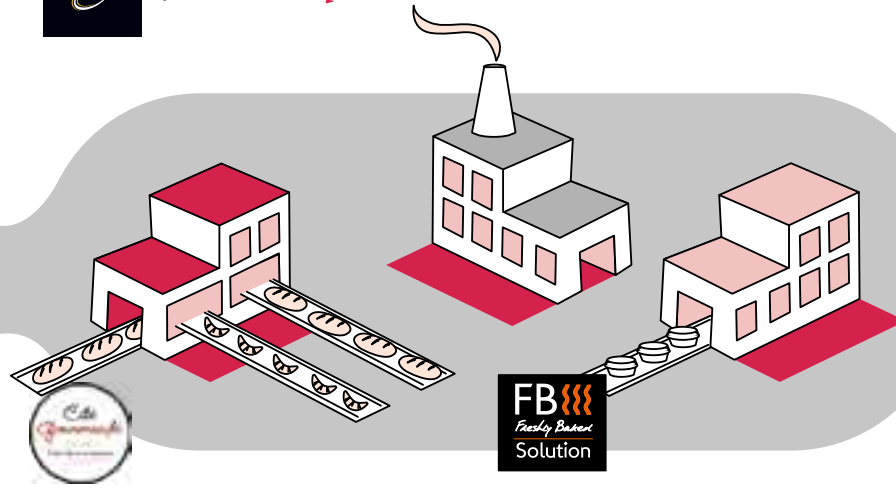


Food Purchases by volume :
Flour 58% Butter 19%
Sugar < 5%
Chocolate ,eggs, vegetables < 5%

BRANDS



Bakery products, viennoiseries, and frozen
pâtisserie **8 plants around the world**



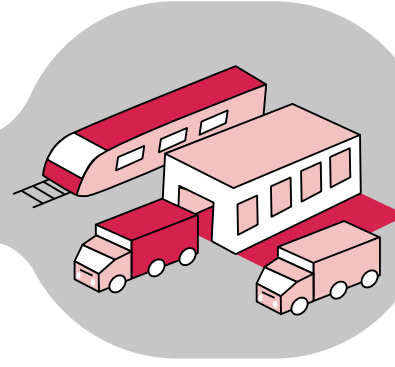
Frozen cooked vegetables
1 production site in Agen



Deliveries of freshly baked
goods 2 baking centres in
Paris and London

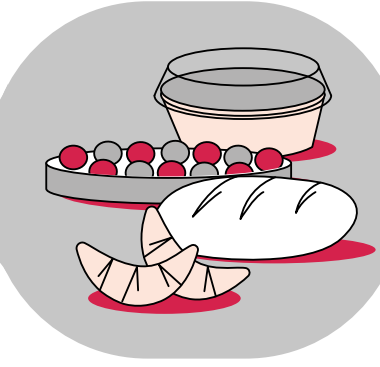
DISTRIBUTION

Wholesalers in **100 countries** :
France, Europe, Asia, Middle
East, Africa, United States



PRODUCTS OR MARKET SEGMENTS

Bread, Viennoiseries,
Pâtisseries , Ready meals



CUSTOMERS

Artisans - Large retailers
Food Service : hotels/restaurants
Le Duff food service subsidiaries



Upstream: stimulating the regional economic fabric and showing consideration for animal welfare

84% et 70%

These are **shares (by volume)** of supplies **produced in France**, respectively for Bridor's French plants and Cité Gourmande plant

< 250km

Flour supplies used by **Bridor France** plants are sourced from **millers located less than 250 km away**

100% of eggs purchased in France **floor-laid** or **free range**

Product quality: promoting food quality and safety

70% of Bridor products throughout the world meet **CLEAN LABEL**⁽¹⁾ requirements

23% of **butter** used by Bridor is **Protected Designation of Origin (PDO)** produce sourced from the Poitou Charentes (French region)

The majority of **flour** used to make Bridor bread is sourced from **responsible networks** ("Label Rouge" flours, organic or CRC⁽²⁾ wheat...)

Production sites apply a quality process: **IFS et /ou BRC, HACCP, GFSI**⁽³⁾

Talent: hiring, promoting equal opportunities, and developing professional skills

2567 employees in the "Industry" wing

91/100 mean gender equality index for the Group's "Industry" wing in France (versus a mean of 83 in 2019 in France for Large Enterprises)

87% of employees hold an **open-ended employment contract** at Bridor France and Cité Gourmande

Societal issues: tackling food waste and insecurity, protecting baking heritage

Food and financial donations to charities and food banks

Opening of a Bridor Academy in Canada focused on sharing baking expertise

Collaboration with **Meilleurs Ouvriers de France** on devising new recipes



Environmental impact: reducing and recovering waste, improving energy performance and considering the climate footprint

92% **waste recycling rate** at Bridor sites in France, and 5,9% waste produced per tonne of products on average at Group level⁽⁴⁾

31% of the volume of water used is recycled thanks to irrigation programmes with farmers (Bridor France)

- 9 kWh reducing of mean power consumption (per tonne of products) between 2018 and 2019 in Bridor France plants

(1) Bridor goods are Clean Label and therefore contain no synthetic preservatives, hydrogenated fat, or artificial sweeteners, colourings or flavourings.

(2) The Cultures Raisonnées Contrôlées® (CRC or Certified Sustainable Agriculture) network includes 2,500 French wheat industry stakeholders who are committed to producing 100% French grain using practices promoting biodiversity.

(3) IFS (International Featured Standard) certification, the BRC (British Retail Consortium) and GFSI (Global Food Safety Initiative) standards, and HACCP (Hazard Analysis Critical Control Point) certification lay down requirements concerning quality and hygiene management systems. They are externally audited.

(4) Sector representing 92% of the Le Duff Group's industrial volume

#03 / «Food service» business model

RESOURCES

Supplies by value⁽¹⁾:
 Food supplies **> 90%**
 No Food supplies **< 10%**

PROCUREMENT

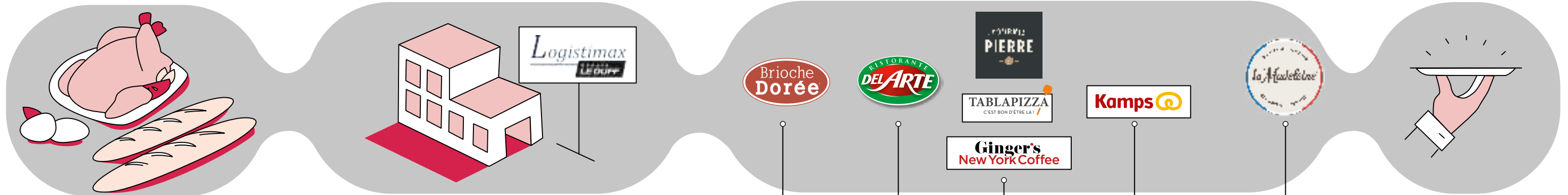
- Food and non-food purchases
- Logistics
- Quality

BRANDS

1 188 restaurants or sales outlets throughout the world of which **73%** are franchisees and **27%** are branches

PRODUCTS

Over **160** million meals served by the group every year



The top 9 purchase items⁽¹⁾ :
 Parisian baguette - Bottled mineral-water - Flour - Cream - Ciabatta - Milk - Tomato sauce- Roast chicken

Subsidiary focused exclusively on the group's French food service brands: Del Arte, Brioche Dorée, Fournil de Pierre, Tablapizza, Ginger's and Restauration des Loges

446 sales outlets throughout the world

190 restaurants in France

49 restaurants in France

413 sales outlets
1 industrial production site in Germany

90 restaurants
1 industrial production site in the United States

Upstream: stimulating the regional economic fabric and showing consideration for animal welfare

77% of Logistimax purchases sourced from French producers

100% of chicken used by the French brands is sourced from French farms

100% of meat used by Brioche Dorée is produced in France

Target: **100%** of chicken to meet the **European Chicken Commitment (ECC)⁽²⁾ by 2026** within the French brands and Kamps

32% of eggs floor-laid or free range in France

Product quality: promoting food quality and safety

3005 annual hygiene audits in restaurants (scope: France, Germany)

27 438 microbiological tests in the French restaurants

Quality systems for the Kamps-production site and sales outlets are **ISO 9001⁽³⁾** certified

Training for employees on hygiene and food safety in sales outlets and restaurants

Talent: hiring, promoting equal opportunities, and developing professional skills

8154 employees in the food service wing (excluding head office)

99% gender equality index at Brioche Dorée (versus 84% in 2018)

2 training programmes at Del Arte leading to qualifications

Training programme provided to new Brioche Dorée employees in training restaurants

100% of managers **internally promoted** at la Madeleine

Societal issues: tackling food waste and insecurity

82% of Brioche Dorée sales outlets are **Too Good To Go** partners



Environmental impact: reducing and recovering waste, improving energy performance

The Kamps production site and sales outlets are **ISO 50 001⁽⁴⁾** certified, enabling a **10% reduction** in mean power consumption per sales outlet between 2014 and 2019

Energy-saving equipment used by the brands (self-cleaning ovens at Brioche Dorée, **low-consumption** water heaters at Del Arte and la Madeleine)

(1) Purchases made by Logistimax

(2) In 2019, Logistimax and Kamps made a commitment to source 100% of broilers from farms meeting all criteria of the European Chicken Commitment by 2026. This scheme initiated in Germany by the Albert Schweizer Foundation ensures that animal welfare criteria are met during farming, transportation and slaughter: use of chicken breeds associated with good animal welfare outcomes, access to natural light, space, no cages, controlled atmospheric stunning.

(3) The ISO 9001 standard lays down organisational requirements for a quality management system. ISO 9001 certification is awarded following an assessment of this quality management system by an accredited independent organisation.

(4) The ISO 50 001 standard provides guidelines on developing a methodical energy management system to improve energy performance. Based on an initial energy assessment, organisations compliant with the standard set energy targets and draw up an energy metering plan. By adopting a management system meeting the requirements of this standard, it is possible to make energy savings in the short term and reduce costs.

#04 / Governance of ethics and CSR

2019 was the year in which the LE DUFF Group set up and structured its compliance process at Group level, with cross-cutting functions introduced at Group level and integrated strategies addressing operations-related environmental and social issues consolidated at brand level. The Group has continued this process in 2020 and is working on a continuous improvement process.

ETHICS GOVERNANCE

The Group's Business Ethics Policy defined by Mr Louis LE DUFF formalises business ethics rules to be applied. It was approved by the staff representative bodies in 2019 and is appended to the internal regulations for French entities.

Based on this policy, the Group can reaffirm the high standards it applies when conducting business.

Moreover, a structured «Compliance» function was introduced during the 2019 financial year. This is led by a Group Compliance Director. He is supported by a multidisciplinary, global compliance team.

This **Compliance Function** ensures that the ethics policy is properly applied and promotes a «compliance» culture at Group level.

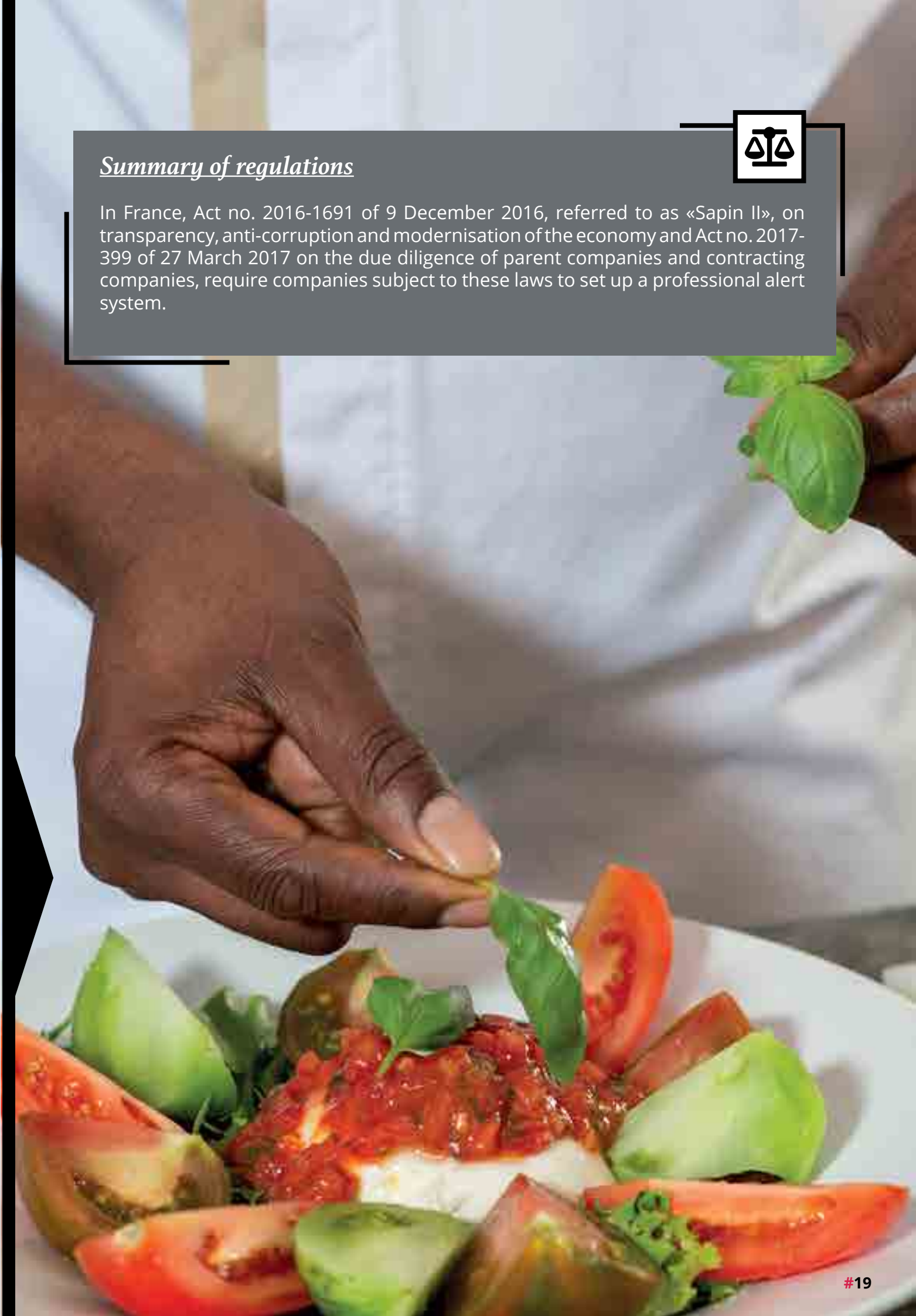
A PROFESSIONAL ALERT SYSTEM

The Group has equipped itself with an alert system hosted by an external platform. Among other things, this will ensure compliance with the Ethics Policy, the French Act on Transparency, Anti-Corruption and Modernisation of the Economy (Sapin II) and the French Due Diligence Act (Loi sur le Devoir de Vigilance).



Summary of regulations

In France, Act no. 2016-1691 of 9 December 2016, referred to as «Sapin II», on transparency, anti-corruption and modernisation of the economy and Act no. 2017-399 of 27 March 2017 on the due diligence of parent companies and contracting companies, require companies subject to these laws to set up a professional alert system.



A PROFESSIONAL ALERT SYSTEM

wispeek



This system known as **Wispeek** was rolled out for quality-related matters in 2019 in industrial entities in France. This decision was made for France after informing and consulting with the Staff Representative Bodies.

The professional alert system will be gradually extended in 2020 to all other Group entities in France and around the world for all ethics-related matters.

This professional alert system is aimed at increasing transparency by improving employees' means of providing input, enabling everyone to play a proactive role in risk prevention.

Thus, from 2020, all employees will be able to report the following (which may be done anonymously if required):

- ▶ Any violation of the principles and rules concerning ethics and professional conduct set out in the Group Business Ethics Policy.
- ▶ Any corrupt acts or situations.
- ▶ Any acts or situations constituting harassment or discrimination.
- ▶ Any acts or situations relating to due diligence.
- ▶ Any crimes or offences.
- ▶ Any serious and clear violations of an international commitment legitimately ratified or approved by France.
- ▶ Any violations of unilateral measures taken by international organisations on the basis of such commitments.
- ▶ Any violations of laws or regulations.
- ▶ Any serious threat or harm to the public interest.
- ▶ Practices jeopardising food safety and/or product quality.



#04 / Governance of ethics and CSR

STRUCTURING OF CSR AT BRAND LEVEL

In addition to these measures regarding ethics and transparency taken at Group level, the Group's main brands are gradually structuring CSR policies at brand level.



Bridor, a Global Compact signatory, initiated a rebranding project in 2019 with a view to incorporating environmental and social issues in its general strategy. It drew up a mission statement based on sharing bakery cultures throughout the world: «share the bakery cultures of the world».

“*In 2019, we wanted to anchor CSR in Bridor's strategy, so based on the company's positioning and goals, we devised the mission statement «Bridor, share the bakery cultures of the world». Internally, this joint project allows us to get our international entities on board with Bridor's history, while also acquiring and disseminating a CSR culture. Externally, it embodies our goal of promoting local bakery cultures in e.g. Italy and Japan and guides growth initiatives, leading us to abandon a «colonising» mindset in favour of sharing.*”

Philippe Morin, Bridor CEO

This new identity reflects 3 key strategic areas:

- ▶ **Cultivating baking expertise** – promoting the culture of ingredients and local production as well as a culture of greater well-being.
- ▶ **Enhancing and promoting bakery cultures** – protecting and promoting a vibrant brand of global and responsible bakery, a culture of baking innovation, and monitoring basic trends (processes, production methods).
- ▶ **The only true value is people** – culture of human values in business, culture of environmental rigour.

A concrete roadmap and 5-year action plans have been drawn up to implement this new positioning. Working groups led by members of the executive committee, each consisting of around 50 people, are working on rolling out this strategy. A film presenting the corporate mission was also broadcast to all Bridor employees and Group executives in 2019.



Cité Gourmande and its production site in Agen are devising their CSR policy using DIAG 3D, a 360° CSR performance structuring and improvement process offered by COOP⁽³⁾ de France and l'AFNOR⁽⁴⁾.



Del Arte is using its Encore+ programme (Ensemble Contribuons à une Restauration Engagée or Together Let's Contribute to Responsible Food Service) to convey the brand's commitments in four key areas:

- ▶ Together let's build **sustainable networks**.
- ▶ Together let's develop our **skills**.
- ▶ Together let's offer quality **products**.
- ▶ Together let's advocate more **responsible practices**.



Brioche Dorée is structuring its CSR policy in 2020.

Brands that have defined and started to roll out their own CSR strategies thus represented 71% of LE DUFF Group turnover at the end of 2019.

(3) COOP de France, or *La Coopération Agricole*, is the single representative of French agricultural, agri-food, agro-industry and forestry cooperatives.

(4) AFNOR or the Agence Française de Normalisation is the French organisation responsible for managing, coordinating and approving standards as well as promoting and facilitating their use.

#05 / Upstream commitments

RELATIONS WITH PRODUCERS AND SOURCES OF SUPPLIES

As a major agri-food stakeholder, the LE DUFF Group is keen to support local agriculture and forge strong links with upstream agricultural operators. Consequently, the procurement policies of the Group's various brands focus to the greatest possible extent on domestically or regionally produced products.

FOOD SERVICE WING

All the French brands:

- ▶ Source **77% of their food products** from **French producers**.
- ▶ Procure **26 items** covered by a **certificate of origin** (AOP, AOC, IGP ⁽⁵⁾, AB ⁽⁶⁾).
- ▶ The **flour used is 100% French**
- ▶ The **chicken used is 100% French** and sourced from the Terrena cooperative. Under this partnership, the chicken supplied consists of 50% thighs and 50% breast fillets, providing an outlet for thighs, which are often overlooked and thus generally wasted. Since the entire chicken carcass is used, suppliers have a clear idea of what quantities need to be produced (at the farming stage) and avoid the risk of generating an imbalance of stock between breast fillets and thighs.

Logistimax, a unit dedicated to the Group's French food service brands' supply chain, strives to forge and **maintain direct links with producers**.

Logistimax
GROUPE
LE DUFF

(5) The Protected Designation of Origin, Controlled Designation of Origin and Protected Geographic Indication certifications guarantee that food is sourced regionally and produced in a specific way

(6) Organic farming



Did you know?

- Desertification is occurring in rural areas of France due partly to a significant fall in the farming population combined with an increase in the size of farms.
- By sourcing more food supplies locally, it is possible to boost the economic fabric of regions in which businesses are established, while also reducing transport-related emissions and environmental impact.



#05 / Upstream commitments



Brioche Dorée's sales outlets in France primarily source products made in France that promote French agricultural and food heritage:

- ▶ All the *cheeses* it uses are ***made in France***.
- ▶ The Cantal cheese it uses is Protected Designation of Origin (PDO)-certified
- ▶ The *meat* it uses is ***100% French***.
- ▶ The salad used by the restaurants (batavia lettuce, rocket, mixtures of salad and grated vegetables, etc.) is sourced from the Rosée de Champs cooperative in Doué la Fontaine in the department of Maine et Loire. This cooperative is mainly supplied by its 65 member vegetable producers.
- ▶ ***Bread and viennoiseries*** are made in the Bridor plants in Servon-sur-Vilaine and Louverné using ***locally procured flour***.

In **Del Arte restaurants**, food sourced from Italy is **prioritised** and promoted:

- ▶ The ***Buffalo mozzarella and Burrata*** are ***made in Italy*** and PDO-certified.
- ▶ The ***cooked meats*** including the coppa from Pomezia, the rostello from the Rome region and the spianata calabrese from Tuscany are ***100% Italian***.
- ▶ The ***pasta is imported directly from the Puglia region of Italy*** and the filled pasta is also sourced from Italy.
- ▶ All the wines on the menu are made in Italy including the Nero d'Avola from Sicily, the Montepulciano from Abruzzo and the Puglia Primitivo from the Puglia region.
- ▶ The butter, milk and crème fraîche are made in France.

In total, 87% of products used in Brioche Dorée restaurants in France are made in France and 95% of those used in the Del Arte restaurants are made in Italy or France.

In Argentina, 100% of the meat used is sourced domestically.

In **Kamps sales outlets (Germany)**, most raw materials are sourced in Germany. The ***flour*** used is produced locally and meat products are purchased from a producer ***located 25 km from the production site***.

#05 / Upstream commitments



INDUSTRIAL WING

Bridor France : priority is given to certified and local suppliers. Over the past several years, the company has been developing networks (with certifications) and partnerships enabling an *emphasis on products sourced in France* (over 84% by volume in 2019), quality, and long-term relationships with producers.

- ▶ **100% of the flour used by Bridor is made in France and produced by local millers based less than 250 kilometres from production sites.**
- ▶ **In 2019, the PDO butter used was sourced from the Poitou-Charentes region. It accounts for 23% of Bridor's butter supplies by volume.**

Bridor is certified as an **Origine France Garantie**⁽⁷⁾ (Guaranteed French Origin) supplier for the manufacture of its products (bread, viennoiseries, and patisserie). Furthermore, Bridor suppliers must sign an **ethics declaration** each time a new supply agreement is put in place.

Cité Gourmande is also a certified **Origine France Garantie** supplier with 70% of its purchases by volume made in France.

Moreover, several measures have been taken at brand level to ensure long-term relationships with suppliers, while also providing producers with a stable source of income.

- ▶ **Cité Gourmande** signed a 4-year contract with its potato suppliers and **supports the producer network** in the south- west of France.
- ▶ **Kamps** has forged **long-term partnerships** with 80% of its suppliers.
- ▶ **13,7% of chocolate** purchased by Bridor in 2019 was *fair trade* or *UTZ- certified* ⁽⁸⁾.
- ▶ **Bridor** offers a **bonus** for millers who apply the **CRC**⁽⁹⁾ process.

Project



The set-up and implementation of a «**Responsible Butter Charter**» is in the project phase. Within this framework, our performance requirements for the manufacture of butter, which address a variety of issues including the conditions in which dairy cows are farmed and product packaging, will be made contractually binding. It is due to be implemented in 2021 for 100% of Bridor France butter suppliers.

(7) The third-party-audited Origine France Garantie certification guarantees that at least 50% of the unit production cost of certified products is invested in France and the place from which the product derives its fundamental characteristics is located in France.

(8) UTZ is a sustainability certification programme available for coffee, cocoa and tea, which takes account of such factors as the social and ethical criteria applied by plantations or farmers' cooperatives.

(9) Culture Raisonnée Certifiée (Certified Sustainable Agriculture) – see overleaf for a full definition.



#05 / Upstream commitments



ENVIRONMENTAL ISSUES RELATING TO UPSTREAM

AGRICULTURAL PROCESSES

Since LE DUFF Group operations require significant quantities of agricultural raw materials, the Group strives to address its own impact on the environment. Drawing on its long-term relationships with its suppliers, the Group is seeking to help build and develop more sustainable networks as part of its efforts to support its top suppliers.

These measures relate mainly to the industrial wing, which, compared to food service, purchases a smaller variety of items and produces larger volumes due to the nature of its operations (so it is easier for it to make pledges in this area and also for the Group to implement monitoring measures).

- ▶ Bridor France uses mainly accredited and certified flour to make its bread. This includes Label Rouge flour or flour produced by **responsible agricultural networks** (e.g. CRC⁽¹⁰⁾, organic farming ...) using practices promoting biodiversity. By 2022, these types of flour will be used to make all Bridor products.
- ▶ **Logistimax** is involved in a project to ensure that purchased *flour*, which is **already 100% French**, is **CRC⁽¹⁰⁾ certified by 2021**.
- ▶ Cité Gourmande has laid down specifications that make **sustainable agriculture compulsory (90% of potatoes purchased are Global GAP-certified⁽¹¹⁾)** and prohibit post-harvest anti-sprouting treatment for 38% of its potatoes. Moreover, Cité Gourmande works in partnership with the Agrial cooperative on implementing its «Agrilogique» process ensuring that no pesticide residue is left on finished products.

Moreover, during the Group's expansion it has maintained its percentage of organically produced products.

- ▶ The **organic segment** has seen significant growth and **represents 15% of Cité Gourmande's** turnover through sales of **two organic product ranges** (the Yummy ! and Ferme des Gourmets brands), which have been on the market for the past 6 years.
- ▶ Bridor France, which offers the market's most comprehensive range of organic products, increased its organic wheat procurement by 3% compared to 2018, purchasing **2,975 tonnes in 2019**. Three items were added to the organic bread and viennoiseries range in 2019.

(10) The CRC (Cultures Raisonnées Contrôlées® or Certified Sustainable Agriculture) network includes 2,500 French wheat industry stakeholders who are committed to producing 100% French grain using practices promoting biodiversity.

(11) Global GAP is a standard converting consumer demand into best agricultural practice based on common requirements introduced in the late 90s by several European distribution chains. It is focused on fruit and vegetables, and essentially incorporates environmental regulatory requirements, while also promoting a number of proactive HR management and food safety processes.

Pledges have also been made with regard to non-food supplies.

- ▶ Kamps uses **100% recycled** paper for its takeaway packaging.
- ▶ Bridor purchases delivery boxes that are **100% FSC-certified⁽¹²⁾**.
- ▶ The place mats provided in the Del Arte brand's French restaurants are printed on **PEFC-certified paper⁽¹²⁾**.

ANIMAL WELFARE ISSUES WITHIN NETWORKS

Every day, the LE DUFF Group serves some 160 million meals through its food service brands. With animal welfare and farming conditions gaining traction as an issue, the Group has adopted a responsible approach to broiler chicken welfare standards in recent years.

Moreover, in order to strengthen the long-term relationships it has built with its suppliers, the Group works with them to build networks in which animal welfare is a key priority. Current pledges relate mainly to layers and broilers, two priority livestock types in terms of improving animals' living conditions.



Did you know?

- Over 90%⁽¹³⁾ of French people state that they are concerned about animal welfare.
- In France, 83% of broilers are reared without any access to the outdoors.

EGGS : 100% CAGE-FREE BY 2025

The food service brands in France have committed to procuring 100% cage-free eggs by 2025. The figure for 2019 was 32%, an increase compared to 2018 (30%). Moreover, since April 2018, 100% of eggs used in products made by **Kamps** are produced by cage-free hens.

By the end of 2019, 100% of eggs purchased by Bridor France were, as a minimum requirement, produced by floor-laying hens (compared to 36% in 2018) making Bridor one of the first industrial operators in the bakery/viennoiserie/pâtisserie sector in France to provide this guarantee.

Bridor Canada has pledged that by 2021, **100% of the eggs** uses will be produced by **free-range hens**.

(12) The Forest Stewardship Council (FSC) eco-label and the PEFC (Programme for the Endorsement of Forest Certification Schemes) certification programme are initiatives set up and run by NGOs whose aim is to ensure that wood production and wood-based products are compliant with procedures ensuring sustainable forest management.

(13) Source: 2017 CEVA Animal Health Survey

#05 / Upstream commitments

BROILERS – AN INTERNATIONAL COMMITMENT THAT GOES BACK TO 2017

- ▶ In 2017, the Group's North American subsidiary, Le Duff America, pledged that by 2024 it will only procure chicken from suppliers that are compliant with the *Global Animal Partnership*.

SPOTLIGHT: EUROPEAN CHICKEN COMMITMENT

This voluntary scheme run by over 30 European NGOs is aimed at improving chickens' farming conditions and welfare by 2026.

These standards will result in:

- Less intensive farming and more living space for animals.
- More effective monitoring of air quality on farms through regulations at several levels.
- Proof that all ECC measures are being observed through inspections by external and independent institutions.

Through this scheme, it is possible to meet higher animal welfare standards while also ensuring that consumers still have access to affordable, high-quality products.

This is a strategic pledge since the brands in France use approximately 400 tonnes of broiler chicken.

- ▶ In 2019, the French food service brands pledged that they will exclusively source chicken from suppliers that are compliant with all standards of the European Chicken Commitment (ECC).
- ▶ In 2020, the French brands were joined in this pledge by the German Kamps brand.

Thus, by the official deadline of 2026 set by the European Chicken Commitment, all LE DUFF Group brands will only source their chicken from suppliers meeting all ECC standards.

EFFORTS TO USE SEASONAL PRODUCE IN THE FOOD SERVICE BRANDS

Did you know?

- Seasonal produce is more nutritious, tastes better, and encourages a varied diet.
- It travels shorter distances, thus limiting its carbon footprint (transport) with fewer chemicals used (particularly for preservation).

The LE DUFF Group is keen to offer seasonal produce wherever possible and educate its customers on the importance of this issue. The food service brands are mainly affected as they cook fresh fruit and vegetables.

- ▶ In **France**, **Del Arte** and **Brioche Dorée** offer menus promoting seasonal fruit. Moreover, some fruits are only included on menus when they are in season, for example strawberries (mid-March to late June), apricots (July-August), cherries, cucumbers and melons.
- ▶ In **Kamps** sales outlets in **Germany**, some fruits such as strawberries and plums are only served when they are in season. Publicity campaigns on these commitments are conducted in restaurants to raise customer awareness



#06 / Ensuring product quality and safety

NUTRITIONAL BALANCE OF PRODUCTS AND INGREDIENTS

Issues relating to nutrition are therefore a primary concern for the Group in keeping with its desire to satisfy its customers by supplying healthy food in a way that is completely transparent.

FOOD SERVICE WING

An «Ingredients and Nutrition» policy is applied within the food service wing in France. This is based on:

- The introduction of detailed and *specific requirements* for each new listed ingredient or food product, notably *excluding any GMO ingredients or additives* that are considered unnecessary.
- A commitment to transparency through each brand systematically providing product nutrition information on their websites.

This policy is implemented through such measures as the exclusive use of polyphosphate-free boiled ham ⁽¹⁵⁾.

GOOD PRACTICE

A competition is being held in a Madeleine restaurants in the Dallas Metropolitan Area in partnership with a hospitality college and the Medical City Children's Hospital to encourage pupils to create healthy menus referred to as the «Kids Fit Menu!» approved by nutritionists. The aim is for students to devise healthy recipes to promote a balanced diet. The winning recipe is included on the La Madeleine menu for six months of the subsequent year.

⁽¹⁴⁾ Non-alcoholic fatty liver disease (NAFLD) denotes an excessive build-up of fat in the liver.

⁽¹⁵⁾ Polyphosphates, which are better known as E452, are commonly used as texturing agents in cooked meats to retain water and increase product shelf-life. If used in high quantities, they are risk factors for cardiovascular disorders and kidney failure.

Did you know?



- People who eat too much sugar are at greater risk of various diseases including obesity, heart disorders, metabolic syndrome, cancer, and non-alcoholic fatty liver disease ⁽¹⁴⁾ ...
- Excessive consumption of salt leads to hypertension and therefore increases the risk of cardiovascular events and certain heart and kidney diseases.

#06 / Ensuring product quality and safety

Since April 2018, Kamps sales outlets have provided a **breakdown of ingredients (additives, allergens, etc.)** on request in addition to the compulsory nutritional information (calories) displayed directly on products.

INDUSTRIAL WING

Aware of its responsibility with regard to nutrition and health, the LE DUFF Group Industrial Wing has addressed these issues in its industrial R&D strategy.

Over the past three years, Bridor has rolled out a Clean Label programme in France, Canada and the United States. This programme guarantees the use of natural ingredients, colourings, flavourings and additives without any hydrogenated or partially hydrogenated fat or artificial sweeteners.

In 2019, 70% of products sold by Bridor met the commitments of the Clean Label programme. The target for 2021 is 85% of items. As a reminder, 75% of products sold by Bridor France in 2018 met the commitments of the Clean Label programme.

SPOTLIGHT ON AMIBIOTE MULTI-FIBRE BREAD - GRAND PRIX SIRHA INNOVATION 2019

A result of 3 years' research and a clinical study, the Amibiote is a multi-fibre baguette consisting of 7 vegetable fibres specifically selected by experts at the French National Institute of Agricultural Research (INRA) for their beneficial effect on intestinal flora.

These fibres contain beta-glucans, which help maintain healthy blood cholesterol levels.

The first two items, both given a nutri-score of «A» (a plain baguette and a cereal baguette) developed in 2018 were brought to market in autumn 2019.



Project

As part of its efforts to redefine its brand strategy (see page 22), Bridor's projects include:

- Continued investment in basic research to develop future products with recognised benefits.

- Work on a **Natural Products and Nutrition Charter** for 2023 aimed at:
 - Initiating a measured and gradual reduction in the proportion of salt in its bread.
 - Reducing the sugar content of its *Viennoiseries Gourmandes* range.
 - Devising naturally healthy products with a full range of bread made with ancient wheat varieties.

Cité Gourmande : products sold directly to consumers (e.g. the Yummy brand distributed through specialist networks) are all labelled with Nutri-score nutritional information. **Pom Bistro brand products distributed by large retailers and sold to restaurants carry a guarantee that they contain no preservatives, colourings, added flavourings or additives and are manufactured using French potatoes.**



#06 / Ensuring product quality and safety

INGREDIENT TRACEABILITY AND QUALITY

Did you know?

- In the wake of food scandals, industrial operators have increased the traceability of their products to reassure consumers and guarantee product quality.
- 58%⁽¹⁶⁾ of French consumers state that they pay most attention to the geographic origin and source of ingredients when choosing food products.



As a major agri-food and food service sector operator, the LE DUFF Group implements processes ensuring the safety and traceability of ingredients used in its restaurants' kitchens and processed at its production sites around the world.



FOOD SERVICE WING

Logistimax implements its supplier **monitoring plan based on a risk assessment of suppliers** (e.g. domestic or international) / products (e.g. processed or unprocessed) and an evaluation to determine whether or not certain products are strategic (volume, link to brand image, etc.). Like Bridor, **Logistimax gives priority to IFS⁽¹⁷⁾, BRC ou ISO 22000-certified suppliers** and the Group performs a systematic referencing audit on those that do not hold such certification.

Kamps systematically conducts 10 to 15 annual supplier audits at the sites of all new partners and also on an ongoing basis under a standard exceeding regulatory requirements.



INDUSTRIAL WING

Bridor gives priority to suppliers with quality certification (IFS⁽¹⁷⁾, BRC, GFSI). If this condition is not met, the Quality Assurance Department performs a preliminary audit before approving any new suppliers in accordance with standards set internally.

In North America, 83% of suppliers are SGS GFSI-certified⁽¹⁷⁾.

In addition to these guarantees, tests are performed on goods received at all Bridor production sites with a view to tackling fraud and also ensuring food safety.

PROCESS SAFETY

The LE DUFF Group sets up and implements rigorous procedures in its restaurants, sales outlets and production sites to ensure that it offers customers wholesome products.



FOOD SERVICE WING

From warehousing to deliveries of raw materials to the logistics centre that distributes to the restaurants, **Logistimax applies a very strict health control plan**. Every week, an independent testing laboratory samples and tests raw materials and products at defined intervals based on several criteria: health risk, conditions of use and consumption in restaurants, etc.

As part of the Group's French food service brands' health control plan, **hygiene and food safety audits are performed in all restaurants**. The aim of these audits is to monitor the application of any procedures included in the health control plan (HACCP procedure⁽¹⁸⁾, good hygiene practice, traceability procedures, internal auditing, good storage and manufacturing practice, maintaining the cold chain, etc.). Audits are performed by independent service providers that are recognised within the field of quality and food safety. Each restaurant is audited without warning at least once per quarter based on an average of 70 inspection items.

In 2019, 2,135 hygiene audits (2,111 in 2018) and 27,438 microbiological tests (27,981 in 2018) were conducted on LE DUFF Group restaurants throughout France.

Moreover, **continuing training on food hygiene and safety** is provided at all the Group's restaurants. This training is delivered at least once a year at all restaurants by trainers from service providers that specialise in providing food hygiene monitoring and support to restaurants

528 training sessions were provided in 2019 at LE DUFF Group restaurants throughout France.

In 2019, a **health control plan digitisation programme** was initiated in France, initially in Del Arte restaurants. Each restaurant is provided with a PC or tablet installed with a software solution that is customised in collaboration with a specialist service provider. This paperless process increases the reliability of internal audits and HACCP procedures, while also improving labelling of ingredients and items prepared in kitchens.

(16) Source: Opinion Way/French Food Capital study, 2018

(17) IFS (International Featured Standard) certification, the BRC (British Retail Consortium) standard, the ISO 22000 standard and SGS GFSI (Global Food Safety Initiative) standard lay down requirements concerning quality and hygiene management systems. They are externally audited.

(18) Hazard Analysis Critical Control Point, is a method for identifying, assessing and controlling significant safety hazards

#06 / Ensuring product quality and safety



FOOD SERVICE WING

Kamps: its quality system is ISO 9001-certified⁽¹⁹⁾.

Quality and hygiene audits are conducted twice a year at each sales outlet, which represents over **800 annual visits** undertaken by the quality department. In addition to these audits, visits are conducted by an external audit body – 59 of these took place in 2019.

Moreover, the Schwalmthal production site is inspected 5 times a year by the internal quality department and once a year by the Rhineland Regional Health Agency.

All managers of **la Madeleine** restaurants and their assistant managers, representing approximately 120 employees in the brand's 30 branches, are obliged to validate the ServSafe® food safety certification programme provided by the U.S. National Restaurant Association.

Training can be completed and validated directly from restaurants using the la Madeleine online training server.



INDUSTRIAL WING

In the industrial wing, **Bridor's two French sites in Servon-sur-Vilaine and Louverné and the Cité Gourmande site in Agen are BRC et IFS⁽²⁰⁾ certified.** The Pont-de-l'Isère site is BRC-certified.

In North America, the three Canadian sites and the US site are also BRC and IFS-certified⁽²⁰⁾.

These certifications guarantee very stringent standards with regard to traceability and food safety.

These sites are audited by certification bodies or in some cases, by customers. ***A total of 44 days was spent on these audits in 2019 within Bridor France.***

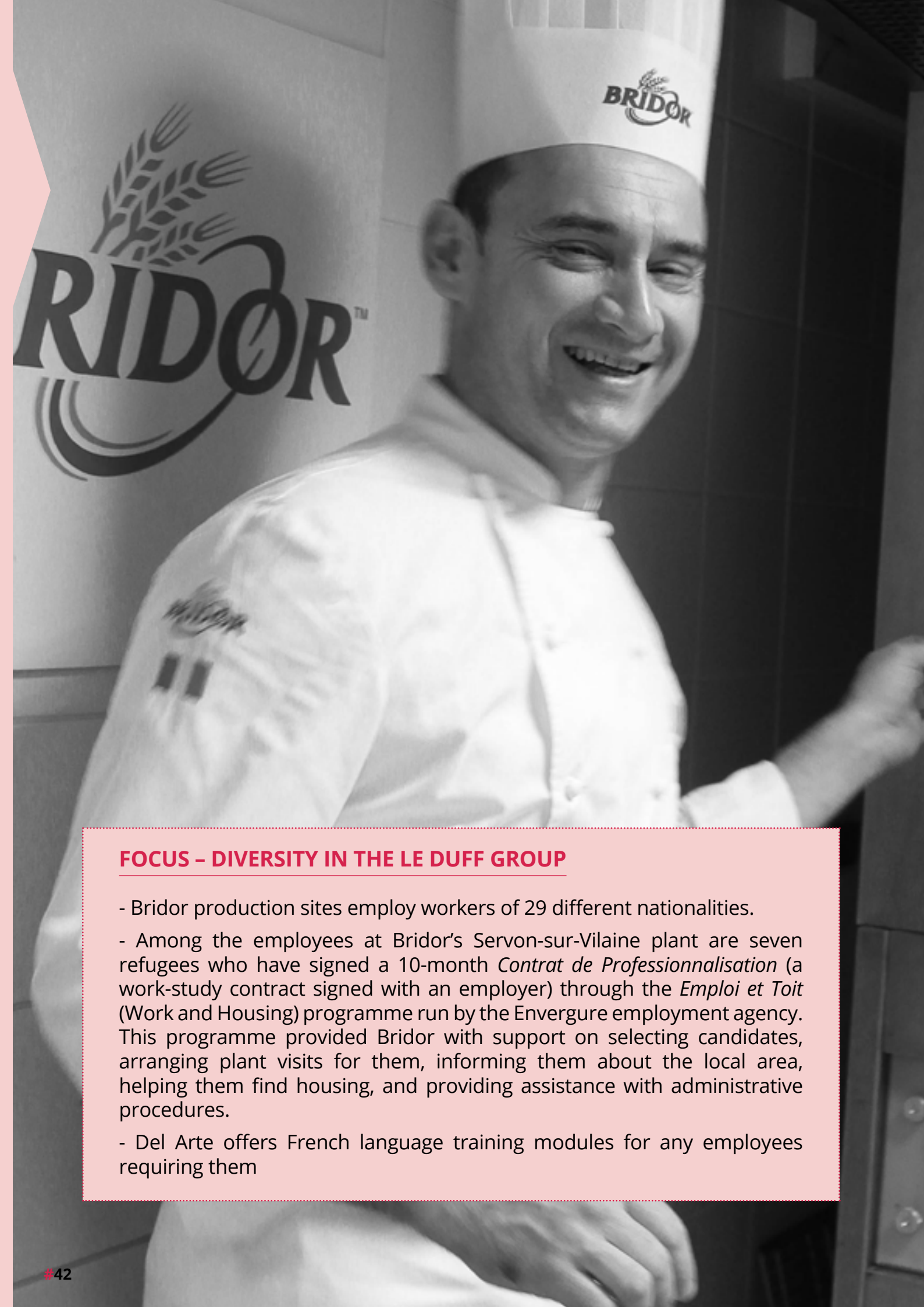
The **Bridor** workshop in **China** holds **HACCP⁽²¹⁾** certification through which it has trained 4 designated employees with a view to them becoming certified in hygiene, handling and stock management.

(19) The ISO 9001 standard lays down organisational requirements for a quality management system. ISO 9001 certification is awarded following an assessment of this quality management system by an accredited independent organisation.

(20) IFS (International Featured Standard) certification and the BRC (British Retail Consortium) standard lay down requirements concerning quality and hygiene management systems. They are externally audited.

(21) HACCP or Hazard Analysis Critical Control Point, is a method for identifying, assessing and controlling significant safety hazards. HACCP certification ensures compliance with this method through an external assessment.





#07 / Supporting and developing talent

EQUAL OPPORTUNITIES AND NON-DISCRIMINATION

The LE DUFF Group is committed to recruiting employees based solely on the objective criteria of qualifications, skills and professional experience. These criteria are also applicable to pay, working conditions, promotions, mobility and training.

The Group is committed to tackling any form of workplace discrimination, promoting diversity, and where necessary, supporting measures to address inequality in accordance with local legislation. Training modules on discrimination in recruitment are offered at Group level.

General measures for tackling discrimination

Del Arte: the simulation-based recruitment method offered by the French National Employment Agency (*Pôle Emploi*) has been adopted to prevent any discrimination in recruitment. This focuses solely on the skills required for roles and does not take account of qualifications, experience or candidates' CVs.

This method facilitates a recruitment process that is responsible, reliable and promotes diversity. Moreover, in 2019, a new training module was set up for branch and franchisee managers. It is entitled «Optimising recruitment» and includes a section on non-discrimination. This is a compulsory module.

All **la Madeleine** employees are issued with a manual that sets out **commitments on tackling discrimination on the basis of race, religion and ethnic origin.**

These commitments are also displayed at sales outlets and mentioned at all training sessions. As part of internal audits, checks are performed to ensure that these commitments are being met, and a confidential hotline is available to all employees, which they can use to report any behaviour that is cause for concern to their manager or the Human Resources Department.

FOCUS – DIVERSITY IN THE LE DUFF GROUP

- Bridor production sites employ workers of 29 different nationalities.
- Among the employees at Bridor's Servon-sur-Vilaine plant are seven refugees who have signed a 10-month *Contrat de Professionnalisation* (a work-study contract signed with an employer) through the *Emploi et Toit* (Work and Housing) programme run by the Envergure employment agency. This programme provided Bridor with support on selecting candidates, arranging plant visits for them, informing them about the local area, helping them find housing, and providing assistance with administrative procedures.
- Del Arte offers French language training modules for any employees requiring them

#07 / Supporting and developing talent

Measures for tackling gender discrimination

Did you know?



- Throughout the world, women are mostly employed in less skilled, less well-paid, and less stable roles than men and are also under-represented in decision-making roles, with only 4% of female CEOs in Fortune 500 companies ⁽²²⁾.
- Significant gender inequality exists in food service. In France, although 48% of jobs in the sector are held by women, only 17% of head chefs are female⁽²³⁾.
- Moreover, in 2018, the French government introduced an index that companies above a certain size must calculate and publish. This indicator, dubbed the «gender equality index», is a scale of 0 to 100 and is based on 5 indicators⁽²⁴⁾ :
 - ▶ The mean pay gap (40% of the final score).
 - ▶ The gap in terms of frequency of individual pay rises excluding promotions (20% of the final score).
 - ▶ The gap in terms of promotion rates (15% of the final score).
 - ▶ Percentage of employees awarded a pay rise in the year following their return from maternity leave, excluding pay rises under collective bargaining agreements (15% of the final score).
 - ▶ The number of women in the top 10 highest paid roles (10% of the final score)..



FOOD SERVICE WING

Brioche Dorée France : 69% of employees are women and 31% men. There is a large majority of female restaurant managers (57%).

The gender equality index in France was 99/100 in 2019, a significant increase compared to 2018 (84/100 in 2018).

In the **la Madeleine** brand, 57% of employees are women (compared to 56% on average for the premium fast-food or «fast casual» sector in the United States), with 40% of management posts held by women (versus 49% on average for the sector).

(22) Source: UN, 2019

(23) Source: Pôle Emploi, 2017

(24) Source: Office of the French Secretary of State for Gender Equality, 2018



INDUSTRIAL WING

Bridor (Canada): in Canada, where legislation on gender equality is more stringent than in France, new parents are entitled to a year's parental leave, which can be shared between the two parents. Moreover, *40% of the seats on the Bridor Canada executive committee are held by women.*

Like all entities in the Group and in accordance with regulatory obligations, the Bridor France brand and the Cité Gourmande plant signed a gender equality agreement in 2019 with a four-year action plan (2019-2022). A special training budget for women returning from maternity leave has been granted at Bridor France.

A gender equality index of 93/100 was thus achieved by Bridor France in 2019 and 92/100 by Cité Gourmande.

80% of staff at the **Bridor production workshop in China** are women with 50% of management posts held by women.

Measures for tackling disability discrimination

Did you know?



Hiring, training and nurturing disabled people has proved valuable for companies both in terms of tangible benefits (improvements to layout, equipment, facilities) and from a human perspective (positive impact on staff, open-mindedness).

Fully aware of this, the LE DUFF Group has introduced a number of measures aimed at onboarding and training disabled people, while also making products and restaurants more accessible.



FOOD SERVICE WING

Braille menus are available in **Argentina** for visually impaired and sighted people.

Del Arte also offers Braille menus in its restaurants. A project with AGEFIPH⁽²⁵⁾ was initiated in **French Brioche Dorée** sales outlets to adapt workstations (e.g. height-adjustable tables) and conduct awareness-raising initiatives with other employees.

(25) The *Association de gestion du fonds pour l'insertion des personnes handicapées* (Association Managing the Fund for the Occupational Integration of Disabled People) is a French joint organisation set up under the law of 10 July 1987 to promote occupational integration and continued employment of disabled people in private companies.

#07 / Supporting and developing talent

Some **la Madeleine** restaurants have signed agreements with local organisations with a view to hiring disabled people.

INDUSTRIAL WING

Bridor employs 34 disabled workers at its two production sites in Servon-sur-Vilaine and Louverné.

To assist with their integration, 80 people were trained on hearing and speech loss in a session on sign language.

A «duo day» event was organised for employees based at **LE DUFF Group head office** in which they paired up with disabled people to give them a taste of working as bakers.

Training on supporting people with reduced mobility is also provided to employees based at head office.

GOOD PRACTICE

The Group organised a **disability simulator workshop** at head office in partnership with a specialist organisation to mark European Disability Employment Week.

This was aimed at educating people on disability-related issues. Participants in this event promoted through the Group's internal communication channels learned what tinnitus sounds like, negotiated an obstacle course blind, took part in workshops wearing glasses simulating visual impairment, and simulated writing with osteoarthritis and reading through the eyes of a person with dyslexia.

Employees were also set a quiz aimed at raising awareness on disability-related preconceptions and statistics.

MAINTAINING LOCAL EMPLOYMENT

The Group's policy on access to employment is an extension of its equality and non-discrimination policies.

Its top priority is to create a link between the brands, the regions in which they operate, and their local ecosystems.

In pursuit of this goal, several partnerships have been set up and the Group is committed to creating stable jobs. As a result, 96% of Group employees held open-ended employment contracts at the end of 2019 (compared to 90% in 2018).

FOOD SERVICE WING

The food service brand **Del Arte**, with local outlets in over 170 cities in France, strives to play a dynamic role in these local areas. **Each restaurant opened, whether it be a franchisee or branch (10-25 opened every year), creates 20 local jobs on average**, for which the brand endeavours to offer open-ended employment contracts. Local staff are hired in collaboration with local partners such as the *Pôle Emploi*, schools, training centres, hospitality colleges, etc.

INDUSTRIAL WING

The **Bridor France** workforce rose by 10% in 2019, with around **100 jobs created locally**. Plant tours are organised with bakery/patisserie training centres to encourage careers in the industry.

Cité Gourmande: 108 of the 124 people employed hold an open-ended contract, which equates to 87% of the workforce.

Project

In 2019, the LE DUFF Group announced that a new plant is being built in Liffré in the Ille-et-Vilaine department, which will open in 2022 and ultimately generate around 500 direct, non-relocatable jobs, 150 of which will be filled from 2022.



#07 / Supporting and developing talent

SKILL DEVELOPMENT AND MOBILITY

Did you know?



- Skill management and particularly skill transmission and updating are considered a priority for employees and their well-being. ⁽²⁶⁾
- 80% of French employees consider access to professional training to be an important factor when choosing their next post ⁽²⁷⁾.

Skill development is a key priority for the Group. Its various brands are keen to support employees with their plans and progression throughout their careers. Internal promotion and international mobility are key values in the Group's culture. All the Group's brands have set up induction programmes and structured training.

In France, the Group head office is approved as a training organisation and registered as such with the Prefecture for Ille-et-Vilaine, enabling it to provide training leading to qualifications.



FOOD SERVICE WING

Del Arte offers:

- ▶ **A MUM (Management des Univers Marchands or Management of Sales Areas)** programme leading to a vocational qualification equivalent to a two-year higher education diploma. This has been in place since 2016 and is offered in partnership with the IGS Group. Assistant restaurant managers complete this 9-month programme, which includes internal training modules, management support from the IGS Group, and e-learning modules (52 hours to be completed).

In 2019, the third cohort completed the MUM programme with a 100% pass rate for all 12 candidates who sat the exam and 5 receiving a special commendation from the panel. 13 new candidates joined the programme in September 2019 for a one-year period.

- ▶ The CQP (*Certificat de Qualification Professionnelle* or Vocational Qualification Certificate) in pizza-making, a six-month work-study programme, consists of theory classes at head office, technical training completed in-restaurant, and e-learning. Since April 2018, the Group's training department has been approved to deliver this CQP, which, by awarding vocational certification recognised in the food service industry, helps improve the employability of trained employees.

A cohort of 6 pizzaiolos were awarded the qualification in March 2019 with a 100% pass rate.

- ▶ **70 online recipe videos** are available, providing kitchen staff with continuing training.

In 2019, the Group received approval for **Del Arte** to award «Training Permits» (*Permis de Former*) to management at branches and franchises, with a view to facilitating the onboarding and induction of new employees in restaurants.

In 2019, a **training model aimed at helping Del Arte employees to gradually upskill with a view to taking on management roles** was also set up and is available throughout French territory.

Continuing training is also provided to all **Del Arte** staff and franchisees' employees, either face-to-face or remotely, through an e-learning platform available to all restaurants.

On joining the **Brioche Dorée** brand, all employees receive an introductory booklet and **complete an induction and training programme**. In particular, they undergo a 2 to 5-week training programme at one of the Group's 25 training restaurants. Managers complete a 10-day programme providing them with basic training and an insight into the brand's corporate culture.

Every year, 50 to 80 internal promotions occur within the network, accounting for 3-4% of the total workforce.

Internal promotions are given priority at **Brioche Dorée in Argentina**. Of its 30 managers, 25 started out as employees within the brand.

Within the la Madeleine brand, 100% of managers are internally promoted.

The **Kamps** brand provides **internal English and IT courses**. Employees are also encouraged to undertake **external training or coaching** if required.

(26) 2016 Edenred-Ipsos Barometer conducted in 15 countries

(27) The 2018 pay survey conducted by the recruitment agency Michael Page based on data collected for its clients between 2016 and 2017

INDUSTRIAL WING

Bridor accepts apprentices among its workforce and set up a «Class of Apprentices» in 2019 to foster a sense of belonging to a cohort among apprentices and encourage them to help one another. The existing **induction programme** for new starters will be digitised in 2020. And inter-brand mobility grant is also available.

Internal promotions are given priority at the Cité Gourmande production site: 85% of production line managers started out as production operatives. In 2019, Cité Gourmande also took on 9 apprentices out of a total of 124 employees, enabled employees to convert their professional experience into qualifications through the VAE (*Validation d'Acquis par l'Expérience*) scheme, and several employees were awarded Vocational Qualification Certificates (CQP).

FOCUS : KEY FIGURES ON TRAINING IN THE LE DUFF GROUP IN FRANCE

In 2019, within the LE DUFF Group:

A total of 444 employees received training leading to qualifications:

- ▶ 103 people in the food service wing and at head office.
- ▶ 341 in Bridor.

A total of **1,470 employees** received training:

- ▶ 581 employees at head office and in the food service wing including all food service brands and networks.
- ▶ 889 employees in Bridor.

A total of **34,934 hours of training** delivered ⁽²⁸⁾ :

- ▶ 13,510 hours of face-to-face training was provided for head office and the food service wing + 6,471 hours of e-learning throughout the food service brands and networks.
- ▶ Bridor provided 14,953 hours of training.

The Group's training measures also include franchisees, which received 46% of the volume of face-to-face training hours in 2019

(28) A total of 37,233 hours of training were delivered in 2018.

HEALTH AND SAFETY

The main risks entailed by the Group's operations are as follows:

- ▶ *Industrial wing: musculoskeletal disorders (MSDs) due to repetitive manual handling, partial hearing loss due to noise, falls on the level due to grease or liquid waste and/or wet floors.*
- ▶ *Food service wing: falls, cuts, MSDs due to repetitive manual handling, injuries due to contact with chemical cleaning agents.*

The LE DUFF Group employs over 10,000 people throughout the world and has a duty to guarantee their health and safety in their workplace. This entails training, awareness-raising, preventive measures, and continuous and accurate accident monitoring with a view to reducing the accident rate.

Policies and measures tailored to the specific requirements of each business and brand are formalised in Single Risk Assessment Documents and Risk Prevention Documents.

FOOD SERVICE WING

Under an agreement on difficult working conditions within the **Brioche Dorée** brand in France, measures have been introduced to reduce the risk of musculoskeletal disorders (MSDs), notably by limiting loads carried.

In 2019, the **industrial accident rate** at Brioche Dorée was 31.23 (versus 31.20 for the sector) and the **severity rate** was 1.04 (versus 1.50 for the fast food sector.⁽²⁹⁾)

Aware that these results leave room for improvement, the brand has introduced numerous measures to assess, prevent and reduce the rate of industrial accidents:

- ▶ The **Health, Safety and Working Conditions Committee (CSSCT)** meets every quarter, assesses accidents that have occurred in branches, and puts in place specific corrective measures.
- ▶ Once a year, a report outlining this assessment is presented to the **Social and Economic Committee (CSE)** and investigations are conducted by two members of this committee in the event of serious accidents.
- ▶ **Practical measures** are applied in sales outlets including the provision of safety shoes to prevent slipping and use of **personal protective equipment (PPE)**.
- ▶ **Local inspections** of health, safety and working conditions are carried out by members of the CSSCT (4-5 per year).

Social audits are carried out in the various branches to check that restaurants are compliant with regulations.

(29) In 2018, the industrial accident rate at Brioche Dorée was 40.60 (44.07 in 2017) and the severity rate was 1.40.

#07 / Supporting and developing talent



PÔLE RESTAURATION

The **Del Arte** brand is preparing a safety booklet for new starters, who are more at risk of accidents.

The **la Madeleine** brand performs internal audits and a full-time member of staff is responsible for safety monitoring. All employees are issued with an «**Operations Guide**» formalising the occupational safety policy.

GOOD PRACTICE

Logistimax purchases **no corrosive cleaning agents** for restaurants and is currently working with its preferred supplier, Ecolab, to list more concentrated or solid agents that save on packaging and are less heavy to lift.

Steps are also being taken to implement practices optimising water consumption when cleaning premises e.g. by removing spray systems.



INDUSTRIAL WING

The industrial accident rate for the industrial wing in 2019 was 47.00

In **Bridor** production sites in France, numerous preventive measures are implemented to protect and ensure employees' safety in the workplace:

- ▶ Sites work with ergonomics consultants, particularly on developing reflexology solutions through adjustments to workstations.
- ▶ Employees are provided on a daily basis with tailored equipment reducing the risk of musculoskeletal disorders: equipment for hands, belts for handling, etc.
- ▶ Measures aimed at limiting exposure to noise (telephones with earpieces, sound-absorbing panels) and dust (suction systems) are implemented.



#07 / Supporting and developing talent

Moreover, measures are taken to protect employees' health:

- ▶ Influenza vaccination campaigns and blood donations are carried out in plants.
- ▶ First-aid courses are delivered by fire officers.

In order to ensure that these measures are properly applied, **internal audits** are conducted by management SMETA⁽³⁰⁾ **external audits** are also carried out to assess such matters as compliance with applicable occupational health and safety standards

GOOD PRACTICE

Physiotherapy sessions are offered to handlers employed at **Bridor's** French production sites.

Cité Gourmande has recently worked with CARSAT (*Caisse d'Assurance Retraite et de la Santé au Travail* - the French Pension Insurance and Occupational Health Fund) to improve workstation ergonomics, reduce risks related to lifting, slipping and MSDs, and encourage staff to use multiple workstations.

Kamps: external training on employee safety was organised in 2019 for production department managers and assistant managers.

BONNE PRATIQUE

Within the **FB Solution brand**, the complementary health insurance policy now covers complementary therapies such as etiopathy, a therapeutic method that involves identifying the source of a pathological condition and treating it through manipulation.

(30) SMETA (Sedex Members Ethical Trade Audit) is an ethical practices auditing standard assessing measures taken to protect employees' health and safety and compliance with applicable statutory labour regulations.

WELL-BEING AT WORK



Did you know?

Well-being at work has a significant impact on motivation: 37% of employees who are very positive about their well-being at work report rising motivation levels (versus 14% among those who are «quite» positive and 5% for those who report negative opinions).⁽³¹⁾

Therefore, in addition to its health and safety policy, the LE DUFF Group supports measures promoting its employees' well-being and quality of life at work.



HEAD OFFICE

GOOD PRACTICE

- At the Group head office in Rennes, a **gym supervised by professional coaches** provides all employees with an opportunity to take part in the numerous activities on offer.
- With a view to forging ties with the community and passing on culinary culture valued by the Group, **nutrition workshops** are run by chefs from the Group's R&D department. These workshops provide an opportunity to bring together staff from support departments and operational staff.



FOOD SERVICE WING

A new Employer Brand was developed within the **Del Arte** brand in 2019: «**Together let's develop our skills**». The values represented by this Employer Brand are the same as those conveyed by the brand and its products: generosity, conviviality, authenticity, popularity. Del Arte managers are also educated on virtuous management practices such as nurturing and monitoring the development of their employees through the «Values and actions» programme.

Brioche Dorée: a percentage of added value is distributed to employees through a **variable collective compensation system** per sales outlet – €1 million was redistributed in 2019.

(31) Source: 2016 Edenred-Ipsos Barometer conducted in 15 countries

#07 / Supporting and developing talent

INDUSTRIAL WING

Within the **Bridor France** brand, a raft of measures is taken to support employees at various stages in their lives:

- ▶ A partnership with **nurseries** in the **Babilou** network is in place to help employees who have children.
- ▶ Agreements have been signed concerning **donations of paid leave** to people caring for sick relatives.
- ▶ Meetings are organised with people nearing **retirement** to help them with this transition.
- ▶ A **social worker** visits the Servon-sur-Vilaine production sites every fortnight.
- ▶ A **profit-sharing agreement** is also in force.

GOOD PRACTICE

In **Canada**, the well-being of Bridor employees is a key priority. A health and well-being committee has been set up voluntarily. All office workers are entitled to work remotely for up to 2 days per week and have access to yoga classes. They are also encouraged to take part in sporting events through «Team Bridor» (running, etc.).

Kamps: remote working can be authorised and flexible working hours are offered. Gymnastics classes and special health-focused day events funded by the brand's health insurance provider are organised for employees. **Groups are available for sports** such as football, badminton and running.

The **Bridor workshop in China** offers advantageous pay conditions, with the statutory bonus on workers' salaries spread over the year rather than paid as a lump-sum, providing employees with a more stable income.

SOCIAL DIALOGUE



Did you know?

Companies providing elected staff representatives with high-quality information (i.e. regular, comprehensive information whose quality is viewed positively by elected representatives) perform better than companies providing information that is considered inadequate or poor.⁽³²⁾

The LE DUFF Group maintains open and constructive dialogue with all social partners on issues of joint interest, notably including occupational health and safety. Monthly meetings are held with all staff representative bodies. The focus of these meetings is on listening, discussion and sharing, with a view to responding to issues raised by the social partners and identifying solutions to problems raised where required.

FOOD SERVICE WING

Monthly meetings are held with the social partners in all of the Group's companies **in France**. Occupational health and safety is on the agenda once per quarter. For example, at **Brioche Dorée**, 4 of the 10 social and economic committee meetings organised every year are focused on safety.

Kamps has introduced a continuous improvement process entitled «*Kamps Clever Ideas*» in which employees are offered financial incentives to get involved in company decision-making and can put forward suggestions for improvements.

INDUSTRIAL WING

In **Canada**, a trade union deals with collective agreements. Collective agreements cover a period of 2 to 5 years and set out stipulations for holidays, leave on social grounds, and working conditions. CRTs (*Comités de Relation de Travail* or Labour Relations Committees) composed of elected representatives meet every month to discuss working conditions.

The Group has voluntarily set up a trade union and staff representatives for the **Bridor workshop in China**.

(32) Source: Agnes Akkerman, Roderick Sluiter and Giedo Jansen «Third European Company Survey – Direct and indirect employee participation» Eurofound report, 14 December 2015



#08 / Helping tackle societal issues

TACKLING FOOD WASTE AND INSECURITY

Food waste is a key issue for the LE DUFF Group and in particular for the food service wing.



FOOD SERVICE WING

In **Del Arte** restaurants, pasta dishes, pizzas and mixed salads are **prepared quickly to order** where possible. This enables the quantities produced to be tailored as closely as possible to customer requirements, thus limiting food waste.

In 2018, the Group launched a pilot using the «Too Good To Go» mobile app at French Brioche Dorée sales outlets with a view to tackling food waste by selling hampers of the day's unsold items at reduced prices. Due to the pilot's success, the initiative was gradually rolled out to all Brioche Dorée branches in 2019. By the end of 2019, 224 restaurants had introduced this service, which represents 82% of the Brioche Dorée network. A total of 103,131 hampers were «salvaged» in 2019.

The Group's food service brands in the **United States** systematically offer **doggy bags** to customers, enabling them to take any leftovers with them and thus limit waste.

Did you know?



- In France, 15% of food waste is generated by out-of-home food service and 2% by the food industry.
- In France, approximately 12% of food waste produced each year is generated by the food service sector versus 6.9% by the agri-food industry.

#08 / Helping tackle societal issues

INDUSTRIAL WING

Bridor has developed an app in collaboration with Accor to assist hotel service staff with reheating bread and viennoiseries in order to prevent waste.

Food donation campaigns are implemented in accordance with regulations and are part of the Group's contribution to tackling food insecurity.

INDUSTRIAL WING

In late 2019, the **Cité Gourmande** site in Agen signed a partnership with **Solidrive**, a community grocery network based in Agen. This partnership takes various forms encompassing financial donations and donations of unsold materials.

Bridor France: products with visual defects are donated to charities such as the *Restos du Cœur*, French Red Cross and *Petites Sœurs des Pauvres*. Moreover, any items baked for quality testing are given away to employees.

Bridor in Canada and the United States: any items baked for quality testing are given away to employees.

Kamps: a portion of production leftovers is donated to a food bank.

PROTECTING BAKERY AND CULINARY HERITAGE

The LE DUFF Group is a conveyor of culinary heritage, which it strives to protect and promote through its industrial baking and patisserie business and its food service business. In its efforts to combine global expansion with the protection of local baking and culinary cultures, the Group has forged partnerships and is keen to work with the traditional food service and bakery sectors.

FOOD SERVICE WINGS

Del Arte restaurants regularly change their menus to include recipes that have been designed by the Group's R&D department, then tested and approved by an internal panel. On average, **50 new recipes** are added every year.

The **Fournil de Pierre** brand promotes **bakery products and expertise** through a range of special breads and white breads that are kneaded, shaped and baked on site throughout the day by employees, most of whom have a vocational training qualification in baking (*CAP Boulangerie*) and are recruited from local colleges wherever possible.



The wide variety of different bread types on offer (e.g. pretzels made with white flour and milk and *Roggenmischbrot* made with rye) is an inherent part of culinary heritage in the German bakery products segment, and the **Kamps** brand offers a large selection of these. **Kamps** tailors its product offering to the various regions, supplying recipes specific to **each region** of Germany. Customers' regional requirements are identified by the operations team in collaboration with franchisee partners.

INDUSTRIAL WING



As part of the new strategy presented in Section 1, **Bridor** opened the **Bridor Academy in Canada** in December 2019. This is a centre for sharing, R&D and training focused on baking practice and expertise.

In France, **Bridor** works with **Meilleurs Ouvriers de France (MOF)** – winners of a prestigious French craftsmen's competition – on selecting ingredients and products, and devising recipes.

The Group collaborates with Jean-Jacques Massé (1997 MOF for food service), who helps draw up recipes for its flagship brands and Frédéric Lalos (1996 MOF for bakery), who has been involved in developing new bread recipes for Bridor.

Project

In China, the **Bridor** workshop is involved in a project in which it donates a percentage of its sales to support **Shanghai Young Bakers**, an organisation that trains apprentices from disadvantaged backgrounds as bakers. One of these beneficiaries is also due to be hired in 2020.

#09 / Managing environmental impact

REDUCTION AND RECOVERY OF WASTE

The reduction and recovery of waste is a key priority for the LE DUFF Group. It implements a packaging reduction process in the sourcing phase, followed by sorting and recycling of all waste produced by its operations, both at head office and in its various subsidiaries.

HEAD OFFICE

A number of measures have been introduced at LE DUFF Group head office aimed at **reducing, sorting and recovering waste**:

- ▶ Waste including plastic, cardboard and ink toners are sorted and paper is recycled by «**La Feuille d'Erable**», a Rennes-based company that helps people in difficult circumstances enter the workforce. This initiative has also been introduced at Bridor.
- ▶ As part of efforts to raise awareness on reducing hard-copy printing, the LE DUFF Group has donated its estimated savings on paper for the next 12 months to **Reforest'Action**, a social enterprise that facilitates reforestation projects in France and throughout the world. Over 5,000 trees are due to be planted in Tanzania as a result of this initiative.
- ▶ In late October 2019, all ashtrays at head office were replaced by new equipment designed and managed by the company **Cy-Clope** enabling cigarette butts to be recovered. Collected cigarette butts are converted into a fossil fuel substitute used in cement kilns.

In 2019, 5.18 tonnes of paper and 60kg of cardboard were collected and recycled, enabling savings of 104,613L of water, 4,716L of petroleum, 21,344 kWh and 1.57 tonnes of CO2 equivalent (35).

Did you know?

- According to Agreste⁽³³⁾, the industrial baking/patisserie sector is the top-ranking agri-food industry for the production of organic waste and ranks second for other types of waste.
- Despite the French National Assembly setting a deadline (2040) for prohibiting disposable plastic, the boom in takeaway food has led to increasing use of single-use packaging and cutlery in food service ⁽³⁴⁾.



(33) Agreste: The French Agriculture and Food Ministry's agency for agricultural statistics, assessment and forecasting

(34) Source: *Révolution(s) en Cuisine(s)* (Revolution(s) in Cuisine(s)) study, Utopies 2019

(35) In 2018, 4.5 tonnes of paper were collected and recycled, representing a saving of approximately 90,000 litres of water or 4,000 litres of petroleum over the year.

#09 / Managing environmental impact



FOOD SERVICE WING



Summary of regulations – single-use packaging in food service

In France:

- As of 1 January 2020, the distribution or sale of single-use cups, glasses and plates is prohibited (unless they are compostable) if they are provided with food or drink supplied in another container (e.g. beverage cans).
- As of 1 January 2021, straws, disposable cup lids, cutlery, stirrers and polystyrene food containers will be prohibited.
- From 1 January 2023, it will be compulsory for fast-food outlets to serve meals and drinks in reusable containers to customers who eat in.

In France, **Logistimax** is taking steps to increase quantities transported per box in order to reduce packaging quantities. For example, flour, the logistics centre's top-ranking purchase in terms of volume, was previously supplied in 1kg bags, but is now supplied in 25kg bags, thus reducing the frequency of deliveries and the logistics-related carbon footprint.

Ahead of regulatory requirements, bagasse (sugarcane pulp) cup lids, wooden stirrers and cutlery, and biodegradable cardboard straws will be used from January 2020 in **Brioche Dorée and Fournil de Pierre** sales outlets in France.

In **Del Arte** restaurants:

- ▶ Plastic straws have been replaced by *edible pasta straws*.
- ▶ In 2020, plastic packaging will be removed from the gift box for the children's menu enabling a reduction of 3.6 tonnes of plastic per year.
- ▶ In 2020, plastic-packaged ice cream will be replaced by ice cream served in *washable tubs*.

In 2018, **Kamps** replaced its plastic bags with *paper bags* for takeaway food. Kamps only uses *reusable and washable tableware* for food consumed on-premises.

Customers are offered a €0.10 discount on purchased coffee as a financial incentive to bring their own cup for take-out coffee.



Summary of regulations – waste sorting and recovery

- Since 2016, it has been compulsory for food service providers in France whose output exceeds a threshold of 10 tonnes (i.e. 200 to 250 covers per day) of organic waste per year to sort and recover this waste by composting it on site or using an external service provider. This law will be rolled out to all food service providers by 2025.
- The 2016 decree on waste management also introduced compulsory sorting of paper and board, metal, plastic, glass and wood (referred to as «five-stream sorting»).

The **Kamps** brand has introduced waste sorting at its production site and sales outlets. Organic waste is sold to a recycling firm, which converts it into animal feed.

The **Group** has put together a *waste sorting and recycling programme (5 streams and organic waste)* for its French food service brands. This programme harmonised across all sales outlets in France is currently being rolled out.



Project

The LE DUFF Group also has plans to work with the SNARR (*Syndicats de la Restauration Rapide* - French Fast-Food Trade Unions), SNRTC (*Syndicat National de la Restauration Thématique & Commerciale* - French National Themed and Commercial Food Service Trade Union), and FEB (*Fédération des Entreprises de Boulangerie* - French Federation of Bakery Companies) in 2020 to introduce collection and recovery solutions tailored to their specific requirements, initially in selected cities.

An initial pilot is being run in a Del Arte restaurant in the Paris region in partnership with the organic waste collection and recovery provider, Moulinot. It collects organic waste, recovers it at one of its worm composting centres, and distributes the compost to farmers in the Greater Paris region.

#09 / Managing environmental impact

INDUSTRIAL WING

Measures are being taken to raise awareness among **Bridor France** employees on reducing single-use material use. For example, all employees have been issued stainless steel flasks. 2,500 flasks have been handed out, representing potential savings of 500,000 bottles per year. Moreover, production surplus is recovered as animal feed.

The following waste is sorted and recovered at **Bridor France** and **Cité Gourmande** production sites through appropriate recycling streams: plastic cups, paper, residue-free plastic, cardboard, wood and metal. Organic waste anaerobic digestion projects are also under way in Brittany and Agen. It should also be noted that 90% of pallets used by Bridor are European EPAL⁽³⁶⁾ pallets, which can be exchanged throughout the world.

The mean percentage of waste for 2019 for the two Bridor sites in Louverné and Servon-sur-Vilaine was thus 4.5% of the volume produced. The majority of this waste was recovered or recycled, with a total recycling rate of 99.9% in 2019 (including reuse of process water for irrigation), which is up from 2018 (91%).

At the **Bridor** production site in **Canada**, cardboard is recycled and compacted and plastic cups are prohibited.



(36) The European Pallet Association (EPAL) is an organisation whose aim is for a single quality standard to be applied to pallet manufacture and repair. EUR EPAL brand pallets are designed to enable several rotations and help reduce industrial packaging waste.

#09 / Managing environmental impact

ENERGY PERFORMANCE

Did you know?



- It is estimated that in France, cafés, hotels and restaurants account for two-thirds of commercial energy consumption⁽³⁷⁾, with 30% of total energy expenditure on cooking, 20% on refrigeration, 20% on lighting, and 15% on ventilation⁽³⁸⁾.
- Energy represents approximately 13%⁽³⁹⁾ of a restaurant's CO2 emissions.
- The food industry is the third biggest industrial sector for energy use after the chemical and metalworking industries⁽⁴⁰⁾.

The LE DUFF Group is engaged in a process of reducing its energy expenditure both in its restaurants and plants. From product design to the construction of new restaurants, teams of trained employees are constantly working on designing solutions to optimise consumption and improve energy performance.

HEAD OFFICE

The LE DUFF Group head office in Rennes (France) has been awarded **Haute Qualité Environnementale (High Environmental Quality)** certification.

This provides a guarantee that current best practice on energy performance has been applied to the design and operation of the building.

FOOD SERVICE WING

All Kamps' sales outlets and its production site in Germany are ISO 50001-certified.

Under this standard, energy performance monitoring is compulsory and measures must be continually introduced to reduce energy use. Such steps include Kamps' acquisition of equipment enabling it to produce 20% of the electricity it uses through cogeneration, i.e. using heat emitted when operating the generator.

(37) Source: *Mes Courses pour la planète* (My shopping for the planet), 2019

(38) Source: ENGIE, 2019

(39) Source: INSEE, 2013

(40) Source: INSEE, 2013

To ensure proper implementation, all employees complete at least 1.5 hours of training on hygiene and energy practices every year. Automatic ovens have been introduced in restaurants. *These measures have been fruitful since mean power consumption per sales outlet has decreased by 10% between 2014 and 2018, falling from 73 MWh to 67 MWh per year.*

Several concrete measures are applied within the **Group's food service brands in France and the United States.**

For example, light-emitting diode (LED) lighting is systematically installed when lights are replaced, which helps reduce artificial heat generation, while also improving sustainability. This strategy limits energy consumption and improves employee and customer comfort.

GOOD PRACTICE

La Madeleine sales outlets (United States) use dishwashers that operate at low temperature and coffee machines equipped with tankless water heaters, which helps reduce power consumption.

Moreover, any **Del Arte** restaurants opened since 2013 are equipped with thermodynamic water heaters for producing domestic hot water. They are thus compliant with the RT 2012 standard. These systems use a third of the power of conventional water heaters. Finally, cooking stations in the Del Arte network are gradually being equipped with induction hobs, which use less energy with no preheating or inertia.

Brioche Dorée sales outlets are being equipped with automatic ovens, which are programmed based on recipes and use no energy when they are not cooking.

In 2019, the energy consumption of the Group's food service wing throughout the world was 54,388 MWh (on the basis of 452 sites monitored), which corresponds to 0.6 kWh per meal served in fast-food outlets and 2.4 kWh per meal served in table-service restaurants. In France, energy consumption was 25,062 MWh in 2019 (28,635 MWh in 2018), corresponding to 0.8 kWh per meal served in fast-food outlets (0.8 kWh in 2018) and 2.5 kWh (2.8 kWh in 2018) per meal served in table-service restaurants.

#09 / Managing environmental impact

INDUSTRIAL WING

In its industrial business, the Group uses electricity and natural gas for production, cooking and deep-freezing.

The **Bridor Louverné, Cité Gourmande and Kamps** production sites are now 100% equipped with LEDs (light-emitting diodes), which use up to three times less power.

Bridor plants in France are investing in energy generation and distribution equipment and processes that offer maximum energy efficiency, including motors, dimmer switches, and energy recovery systems (**heat, compressed air**). Although these investment decisions will cost more money, they are in line with our long-term energy reduction commitments and will enable gradual reductions in energy consumption.

Moreover, they are subsidised through the **Certificats d'Economie d'Energie (Energy Economy Certificates)** scheme, which is funded by energy suppliers and has been compulsory in France since 2005.

In 2019, mean energy consumption in French Bridor plants fell to 474 kWh per tonne produced (versus 483 kWh in 2018).

Energy-saving lamps have also been installed in the **Bridor workshop in Beijing**.

SAVING WATER

Did you know?

- According to the 2015 UN annual report «the world could face a 40% global water shortfall» by 2030 at the current pace.
- Industrial water usage accounts for approximately 20 %⁽⁴¹⁾ of global water consumption, when all sectors are taken into account. Although agri-food industries are not the biggest water consumers, they impose particularly stringent requirements on the quality of water used.
- On average, a restaurant consumes between 8 and 10 litres of water per cover ⁽⁴²⁾.



(41) Source : Source: H2O information, 2020

(42) Source: Euromag, 2015



Given these circumstances, the LE DUFF Group has taken concrete steps to optimise consumption of this precious resource at its production sites and restaurants.

FOOD SERVICE WING

Within the **Brioche Dorée** brand, all new baking ovens self-clean based on pre-set cycles, thus optimising the volume of water and quantity of cleaning agents required.

In **la Madeleine** brand restaurants in the United States, concrete steps have been taken to reduce restaurants' water consumption both in kitchens and dining areas. For example, lower-consumption water heaters are installed in the brand's sales outlets.

INDUSTRIAL WING

The majority of water discharged post-production at the **Bridor** plants in Louverné and Servon-sur-Vilaine is **used to irrigate the surrounding agricultural land**. This water is collected, filtered and sent to retention basins before being checked prior to irrigation. This is carried out under three-party agreements between Bridor, DREAL⁽⁴³⁾ Brittany and the relevant farmers. Some waste water is also used to clean and cool machinery.

Moreover, new machine room equipment with adiabatic cooling (natural cooling by evaporation) has been adopted on new production lines, **saving over 10,000 m³ of water/year, which equates to the annual consumption of 75 families of four**.

In France in 2019, the Bridor brand used 1.59m³ of water per tonne of products. Of this volume of water, 0.50m³ was subsequently dispatched to irrigate adjacent farmland. This represents 31% of the volume initially consumed ⁽⁴⁴⁾.

(43) *Direction Régional de l'Environnement, de l'Aménagement et du Logement* (Regional Directorate for the Environment, Development and Housing), a government department supervised by the regional prefect

(44) In 2018, the Bridor brand used 1.64m³ per tonne of products. Of this volume of water, 0.50m³ was subsequently dispatched to irrigate adjacent farmland.

CLIMATE FOOTPRINT

The LE DUFF Group's climate footprint relates to the impact of its operations on the climate, particularly through the greenhouse emissions they generate.

All steps in the process are considered, starting with agriculture, which forms the basis of the Group's operations, and which represents 19% of French greenhouse emissions. The Group therefore views its climate footprint as a genuine priority.

Did you know?

- Livestock and agriculture linked to feeding animals cause 15% of greenhouse emissions, thus exceeding total transport-related CO₂ emissions (cars, aircraft, etc.).⁽⁴⁵⁾
- In its most recent report, the IPCC⁽⁴⁶⁾ concluded that «balanced diets, featuring plant-based foods, such as those based on coarse grains (editor's note: grains other than the main varieties such as rice and wheat), legumes, fruits and vegetables, nuts and seeds, and animal-sourced food produced in resilient, sustainable and low-greenhouse gas emission systems, present major opportunities».

FOOD SERVICE WING

Moves to develop less meat-based menus by introducing more vegetarian options are the focus of the Group's food service brands' planning.

Kamps sales outlets offer and promote **vegetarian dishes** on a daily basis.

Vegetarian dishes are also offered in **Del Arte** restaurants and indicated by symbols on menus.

(45) Institute for Climate Economics, 2019
(46) Intergovernmental Panel on Climate Change



INDUSTRIAL WING

An initial initiative was taken in the industrial wing, with a *carbon assessment performed for the Bridor France* brand in 2017. This concluded that **70% of Bridor's carbon impact** was due to **butter**, which is a key raw material in the composition of its products. In contrast, employees' business travel represents less than 2% of its carbon impact.

In terms of the quantity of products sold, this equates to **4.2 kg of CO₂** emitted to produce one kilo of Bridor products. This figure was not updated for 2019, since the Bridor model has not changed significantly.

Despite these issues, butter is essential to the Bridor brand's identity. It has therefore focused its procurement strategy to the greatest possible extent on a premium quality butter, Poitou-Charentes PDO, and is working on optimising its logistics. For instance, a project was conducted with millers in 2019 to increase the size of delivery trucks from approximately 24 tonnes on average to 28 tonnes, thus reducing the frequency of deliveries.

Summary of regulations: Refrigerants and climate change

- The sale and use of some refrigerants used in cooling systems (refrigerators, freezers, air-conditioning units, etc.) by industrial operators such as Bridor and Cité Gourmande will soon be prohibited.
- These may be released into the atmosphere if, for example, leaks occur. This contributes to the greenhouse effect, which causes climate change.
- Moreover, all fluids with a GWP (Global Warming Potential, an index gauging the negative impact of fluids in terms of the greenhouse effect) of over 2,500 will be prohibited in 2025. This will be extended to fluids with a GWP of over 150 in 2030.

The **Cité Gourmande** production site in Agen has taken steps ahead of these regulations to replace its previous R404a refrigerants (GWP of 3,900) with CO₂ (GWP of 1).

#09 / Managing environmental impact

PROTECTING CROP AND WILD BIODIVERSITY

The LE DUFF Group strives to take measures limiting the standardisation of plant and animal species, which leads to a loss of crop diversity and is a risk factor in the development of crop disease.

Did you know?



- According to the FAO ⁽⁴⁷⁾, en un siècle, 75% of genetic diversity in crops has been lost within the space of a century.
- GMOs (genetically modified organisms) entail risks for biodiversity and ecosystems. except for one maize variety, it is prohibited to grow them within the European Union, although they may be imported.

In 2010, **Logistimax**, **Kamps** and **Bridor** discontinued purchases of plant-based raw materials containing GMOs.

As part of its «Share the bakery cultures of the world» strategy, the Bridor brand is involved in a project to promote diversified wheat cultivation, helping to protect biodiversity and improve soil fertility naturally by increasingly sourcing different varieties.

Did you know?



- Palm oil, the target of intense criticism due to its negative impact on the environment, and particularly on deforestation and wild biodiversity, remains the world's most consumed vegetable oil and its consumption is still on the rise.

Bridor and **Logistimax** do not purchase any palm oil-based products except for a spread, which is RSPO Segregated-certified ⁽⁴⁸⁾.

(47) The UN Food and Agriculture Organisation. To help member countries improve the way they manage their resources and adopt a forward-looking approach, the FAO offers tools including the largest global database on food, agriculture and hunger.

(48) The RSPO (Roundtable on Sustainable Palm Oil) is an organisation promoting responsible palm oil. «Segregated» palm oil is separated from other oils throughout the production process, from cultivation to sale.



#IO / Table of indicators

MEAN COVERAGE 2018	60%	MEAN COVERAGE 2019	84%
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AREA	ISSUE CATEGORY	INDICATOR	SECTOR	UNIT	VALUE FOR 2018 SCOPE	2019 VALUE 2018 SCOPE	COVERAGE OF 2018 SCOPE	2019 CONSOLIDATED VALUE	COVERAGE OF CONSOLIDATED SCOPE	2019 SCOPE	PAGES
PURCHASING	Relations with producers and sources	% supplies produced in France by volume	Food service	%	75.3	77.2	100%	77.2	100%	100% OF FOOD SERVICE TURNOVER IN FRANCE: Brioche Dorée France, Del Arte, Tablapizza and Restauration des Loges / Ginger's.	#24
PURCHASING	Animal welfare	% "floor-laid" or "free-range" egg supplies	Industry	%	36.4	100,0	67%	78.1	98%	98% OF INDUSTRY TURNOVER WORLDWIDE: Bridor France, Bridor Canada, Bridor USA, FB Solution and Kamps (industrial unit).	#31
PURCHASING	Animal welfare	% products containing "floor-laid" or "free-range" egg supplies	Food service	%	29.8	31.9	53%	31.9	53%	53% OF FOOD SERVICE TURNOVER WORLDWIDE: Brioche Dorée France, Del Arte, Tablapizza, Restauration des Loges / Ginger's and Brioche Dorée Argentina.	#31
PRODUCT QUALITY AND SAFETY	Process safety	Number of hygiene audits conducted in restaurants	Food service	num.	2 111	2 135	53%	3 005	75%	75% OF FOOD SERVICE TURNOVER WORLDWIDE: Brioche Dorée France, Del Arte, Tablapizza, Restauration des Loges / Ginger's and Kamps.	#39
SOCIAL	Non-discrimination	Gender equality index	Industry	Score / 100	93	93	90%	91	100%	100% OF INDUSTRY TURNOVER IN FRANCE: Bridor France, FB Solution, Cité Gourmande and EIG.	#15 #45
SOCIAL	Non-discrimination	Gender equality index	Food service	Score / 100	84	99	45%	88	99%	99% OF FOOD SERVICE TURNOVER IN FRANCE: Brioche Dorée France, Del Arte, Tablapizza and EIG.	#16 #44
SOCIAL	Health and safety	IA frequency (including temporary staff)	Industry	"Num. > 1 day (per 1 million hours worked)"	37.3	47.0	21%	47.0	21%	21% of the number of industrial units worldwide: Bridor France.	#52
SOCIAL	Health and safety	IA frequency (excluding temporary staff)	Industry	"Num. > 1 day (per 1 million hours worked)"	0.0	0.0	0.0	10.5	50%	50% OF THE NUMBER OF INDUSTRIAL UNITS WORLDWIDE: Bridor USA, Bridor Canada, Cité Gourmande, Kamps (industrial unit) and Brioche Dorée Argentina.	
ENVIRONMENTAL FOOTPRINT	Reducing and recovering our waste	% waste produced: Plants	Industry	% of product tonnage	3.8%	4.5%	64%	5.9%	92%	92% OF INDUSTRY VOLUME WORLDWIDE: Bridor France, Bridor Canada (excluding the Rouen site), Cité Gourmande and Kamps (industrial unit).	#66
ENVIRONMENTAL FOOTPRINT	Energy performance	Power consumption per tonne produced	Industry	kWh / Tonne produced	483	474	64%	506	98%	98% OF INDUSTRY VOLUME WORLDWIDE: Bridor France, Bridor Canada, Bridor USA, Cité Gourmande and Kamps (industrial unit).	#70
ENVIRONMENTAL FOOTPRINT	Energy performance	Power consumption per cover	Food service (fast-food/themed)	kWh / cover	0.8 / 2.8	0.8 / 2.5	53%	0.6 / 2.4	91%	91% OF FOOD SERVICE TURNOVER WORLDWIDE: Brioche Dorée France, Del Arte, Tablapizza, Restauration des Loges / Ginger's, Kamps and La Madeleine USA.	#69



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