

Sustainable Development Report

2017-2018

GRUPE



The E.CF Group

The E.CF Group is one of the top companies in the hotel and restaurant industry. **The E.CF Group** focuses on the needs of professionals, continuously offering efficient and complementary services and distribution channels based on the widest range of products on the market.

The Group has over 1,300 employees and has offered its expert services to around 80,000 customers since its founding in 1880.

Working with more than 500 referral suppliers, the Group offers

more than 40,000 items in the fields of tableware, cooking, hygiene, consumables and furniture. The Group's success is also based on an efficient logistics tool that enables it to satisfy increasing requirements for responsiveness and professionalism in the market. It has earned the trust of all the major market players: major restaurant and hotel chains, independent establishments, palaces, local authorities, and food industry professionals.

The E.CF Group distributes the top brands in the industry. With its extensive experience in the market, the Group also offers its own brands, working with its suppliers to select and develop products at an excellent value.



Our brands



pro.mundi

Pro.mundi

Pro.mundi guarantees its customers professional and high-quality table products at the best prices.



pro.cooker

Pro.cooker

Pro.cooker offers the best professional kitchen materials at an excellent value.



so.mob

So.mob

So.mob: a complete line of furniture for rooms and terraces for a great value



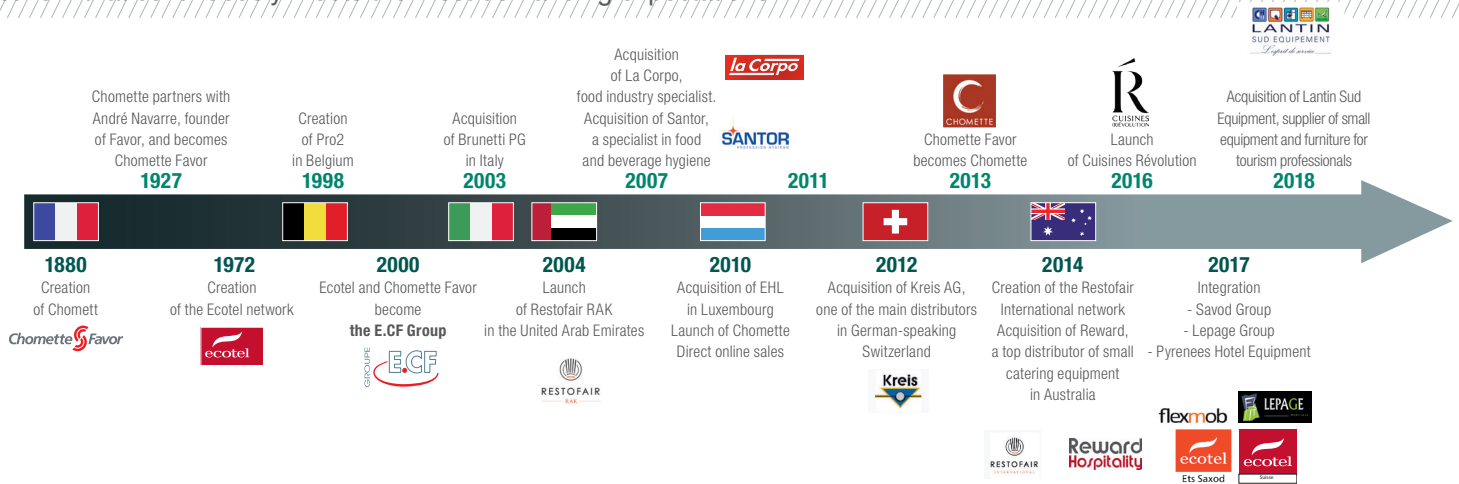
Tren

Tren offers a range of lobbies that are well-hospitality professionals

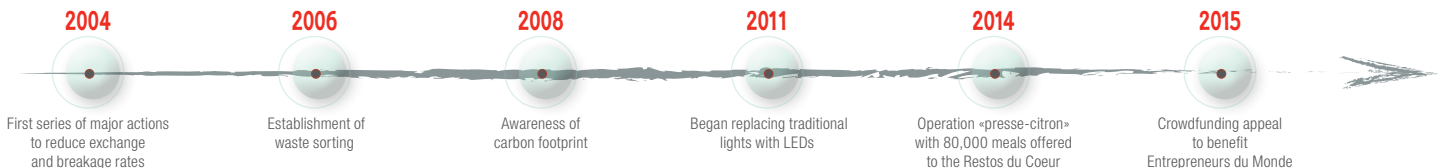
E.C.F. History

Over 130 years of experience, passion, expertise and innovation have shaped the **E.CF Group**, including applying a Development policy over the past 14 years.

Thanks to sustained organic growth and strategic acquisitions, the **E.CF Group** has built a well-structured distribution network that continuously meets the most demanding expectations.



Some steps of our Sustainable Development approach



Kleaining Essentials

A complete range of eco-friendly products for maintenance professionals.



Kleaining Essentials

High-quality basic and single-use products for professionals.



Soft Clean

Paper products at a great value.

A word from our Chairman

As we have done every year since joining the United Nations Global Compact Charter in 2004, we have been working hard within the Group to advance the following five initiatives:

- *Offer more environmentally-friendly products,*
- *Develop long-term relationships with our partners,*
- *Better management of our environmental impact,*
- *Greater environmental responsibility,*
- *Fair and respectful social relations.*

This new report tells you about our progress and achievements, as well as our outlook for the upcoming year.

We are proud of the commitment of our teams in France to Australia, but are aware that our efforts must be continuously renewed and reinforced.

The goal of this report is to encourage increased commitment across the entire Group.

Thierry DRECQ
Chairman of the E.CF Group

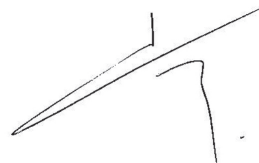


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Offer more environmentally-friendly

A new alternative

Our range of «green» products is continuously expanding in France. These products have many benefits, including being more respectful of the environment and users. We strive to offer our customers more selection of environmentally-friendly products with different labels (FSC, PEFC, OK compost or European Ecolabel).

All entities within the Group share the same desire to offer more alternatives. Reward (in Australia) is also offering its customers environmentally-friendly products.

Examples:

To combat the pollution caused by plastic straws, a paper straw has been added to the range. These straws are biodegradable and compostable, and are suitable for all beverages (water, soft drinks and fruit juices).

A new alternative is also available for vinyl gloves. The MT Basic range has been added to offer gloves with reduced PVC thickness (3.5g per glove instead of 4g). This reduced thickness reduces the quantity of PVC that must be reprocessed (since this type of glove is disposable) without diminishing the quality of the product!

We also are providing new larger products. For example, we want to offer our customers a range of machines with low water consumption (which reduces the consumption of chemicals and energy in similar proportions). Products from the Hobart Equipment Food range have remarkable consumption rates based on their simplicity (example: a Hobart Food Equipment dishwasher consumes 1 litre of water per rack while the average for the market is between 2.4 and 3.5 litres per rack).



Our range contains

• 348 Green Products

(i.e. 4.5% of our products and 3.2% of our counter offers) distributed as follows:

- 206 FSC items
- 25 PEFC items
- 84 OK Compost items
- 85 European Ecolabel items



FSC : The Forest Stewardship Council (FSC) is an environmental label that ensures that wood or wood-based products are obtained in a way that is in line with sustainable forest management initiatives.

PEFC : The Program for the Endorsement of Forest Certification (PEFC), originally called the Pan European Forest Certification because it only applied to Europe, is a private forest certification that promotes sustainable forest management.

OK compost : OK Compost is an eco-label. The label indicates that the products contain no harmful substances and can be composted in an industrial plant without any heavy metal residues.

European Ecolabel : The Community Ecolabel is based on the principle of a «global approach» which «takes into account the life cycle of a product from the extraction of raw materials, the manufacture, the distribution, and the use until it is recycled or disposed of after use.» Quality and use are also taken into account.

Major concerns lead to a global response

In France, the energy transition law for green growth put an end to single-use plastic containers on 1 July 2016. Other single-use plastic bags (e.g. bags for fruits, vegetables, fish, etc.) were banned starting 1 January 2017. For transporting products and weighing food items (vegetables, cut cheeses, meat, prepared food such as sandwiches, etc.), local retailers and producers are required to use bags that are made of the following materials:

- Paper,
- Biosourced plastic that is compostable in domestic composting. These bags are made from renewable raw materials derived from biomass.

To respond to this regulatory requirement, we have included biosourced sandwich bags (up to 40%) and compostable bags for domestic composting.

There is worldwide concern for reducing the environmental impact of plastic bags. Similar regulatory requirements have been implemented in Australia. This regulatory requirement (already in place in South Australia and the Northern Territory) will be extended to Queensland and Victoria starting 1 July 2018. It will prohibit lightweight disposable bags with handles that are less than 35 microns and made of HDPE plastic, even if biodegradable or degradable. They will be replaced by reusable bags with a minimum thickness of 36 microns. Reward already offers bags in its product line that meet these regulatory requirements



Long-term relationships with our part

Our partners are also working on a variety of sustainable initiatives



arc : intergenerational transmission of knowledge 

A long-time supplier to the E.CF Group, Arc has established a number of initiatives to foster exchanges and share ideas between different generations by welcoming students to their factories.

At one of their sites (in Russia), they've partnered with technical colleges and glassmakers to give the students the opportunity to be line drivers, quality controllers or assemblers.

The factory puts them in real situations, giving them the opportunity to get hands-on experience in their work and internships. The other program offers professional guidance to groups of students who come to visit the site to better understand the different industrial occupations. The goal is to help them decide on what to study for their professional future.

Similarly, as part of Industry Week, several groups of high school students visited the training department of Arc France. This goal of this event, which was organised by the French Ministry of Education, was to raise awareness of the industrial sector and trades. Accompanied by their teachers, these youth were very interested and asked many useful questions about glassmaking and other industries.

The Purchasing Department at the Arques site welcomed around 40 fifth-year students from ISCID (Institut Supérieur de Commerce International). These students learned about the Group and the Purchasing Department. The presentation was followed by a Q&A session, where the students were able to ask questions related to their professional futures.

When human effort replaces fuel!

For 6 years, the E.CF Group has established a sustainable partnership with **DB SCHENKER** (leading company in the transport and logistics services sector).

The DB Schenker Group has established a sustainable development strategy (called «DB2020+ / Primus») that is mainly focused on reducing CO2 (target: -50% of their CO2 emissions by 2030, with an intermediate objective of - 30% by 2020). Many actions have been undertaken to achieve these objectives. Also, the different methods used to deliver our products illustrate the variety of resources involved. Our packages are sometimes delivered to our end customers by delivery tricycles! With a capacity of 400 kg (evenly distributed between the delivery tricycle and the trailer), the delivery tricycles help reduce CO2 emissions, since human effort replaces the fuel! Initiated in Rennes eight years ago, this approach (used mainly in urban delivery areas) is growing and could represent up to 10% of volumes delivered by DB Schenker. A final positive note of this mode of delivery: it has created jobs!



Smurfit Kappa : Company strategy

Smurfit Kappa (partner of the E.CF Group since 2017) has a presence in 34 countries, with 367 production sites and 45,000 employees (Europe and America). Wanting to improve their environmental impact throughout the value chain of packaged goods, Smurfit Kappa has executed a sustainable development plan based on 5 initiatives :


This global approach is fully in line with the desire to foster values with all stakeholders involved with the company (customers, employees, investors, suppliers, etc.).

This sustainable development plan has now become a vital element of Smurfit Kappa's strategy.

• F o r e s t s • C l i m a t e c h a n g e •
• W a t e r • W a s t e • P e o p l e •



When business development has a direct social impact

This year, Reward  has added a collection of Coffee Origins cups from Detpak. Beyond the recyclability of these paper cups and their beautiful design (inspired by the architecture, textiles and traditions of coffee producing countries), their purchase supports social initiatives. Detpak donates 5% of this collection's sales to partner charities that are working to improve health, education and food security in rural coffee growing communities around the world.

Better management of our environment

New lighting

Since 2011, we have been working to replace our «traditional» lighting with LED lighting. We continued these efforts this past year, installing **1,300 LED tubes** at our Grigny site.

With many benefits (theoretical life of 50,000 hours, reduced maintenance, increasingly competitive price, low heat generation and reduced carbon footprint), these LED lights will lead to more savings (50% more energy efficient than traditional fluorescent lights)!

We will continue our efforts to make our business more sustainable by replacing even more lighting!



Reconciling commercial expertise and reducing our environmental impact

Every day, our sales representatives bring their expertise and advice directly to our customers. This individualised approach is one of our strengths that allows us to achieve customer satisfaction, but it can also have a negative impact on the environment (our sales representatives travel mainly by car).

To maintain this efficient and essential exchange between our sales team and our customers while reducing our environmental impact, we have started a project to replace our entire fleet of vehicles (more than 230 vehicles) over the next three years. The reduction in CO2 emissions expected at the end of this term is 10%.



Environmental impact



Where do we stand with greenhouse gases?

In December 2017, we conducted a carbon report. The goal of this report was to determine the amount of greenhouse gases emitted during the manufacturing of our products and from our company activities. We chose 3 focuses (scope 1, scope 2, and scope 3). In scope 1, we only measured emissions that were directly the consequence of our company activities,

meaning the emissions from our building. In scope 2, we included all greenhouse gas emissions from electrical, heating, or cooling. When our company consumes electricity, it doesn't directly emit greenhouse gases, but the production of this electricity does. Scope 2 measures these indirect emissions. Scope 3 takes into account all other emissions (related to company suppliers, employee and product transport, etc.)

The 3 scopes in this carbon report allow us to precisely determine the greenhouse gas emissions caused by the manufacturing of our products and company activities. By differentiating how we are emitting greenhouse gases, we are better able to establish actions to reduce and eliminate these emissions.

A new way to communicate our initiatives

For the first time, this report was distributed electronically instead of on paper. Even though the previous versions were printed on paper from sustainably managed forests (as all our promotional materials and catalogues are), we made the choice to use a new form of communication that is even more environmentally friendly.



Promoting greater environmental awareness

Lighting

In our previous Sustainability Report, we chose to include French and English versions of the calendar. Beyond being more practical, this allowed us to better identify international days of observances. We have chosen to highlight three of these days for the upcoming year. Through informational displays that also feature personal testimonies (internally and in two La Corpo stores), we have chosen to highlight the International Day of Peace, the International Day for Tolerance, and International Women's Day.



We all have a SUPER POWER : the power to save lives!

On 28 September 2017, we partnered with the French Blood Establishment (EFS) to organise a blood drive at our Grigny site. Many doctors and nurses welcomed donors that had previously registered on the Resadon link set up by the EFS. In all, forty-eight people donated blood, some bravely overcoming their fear of needles!

Blood donations are essential in many ways (emergency relief, surgical interventions, blood diseases, even cancers). There is a daily need for blood products, and this has increased dramatically over the last 15 years.



accountability

A fun and meaningful project

During our 10th annual Sustainable Development Day, the E.CF Group partnered with the NGO Entrepreneurs du Monde to plan a simple, fun, and meaningful project to support their efforts. Each time an E.CF employee liked the Entrepreneur du Monde Facebook page, the Group made a donation. This resulted in 5,000 euros being donated to Entrepreneurs du Monde.

“Like the Entrepreneurs du Monde Facebook page” 

Beyond the financial support provided to this NGO, this project also:

- **Encouraged E.CF employees to participate in simple, fun, and accessible actions for the greater good.**
- **Reinforce the connection between employees and Entrepreneurs du Monde. Those that followed the Entrepreneurs du Monde Facebook page will remain updated on their activity.**


The donation made will be applied to a program in Haiti to support better cooking equipment.

Better cooking equipment can also lead to better popcorn. So, we've used this opportunity to make a connection to the film industry and also pay homage to Rene Clair. This French filmmaker, scriptwriter, and writer from the 1930s was actually named Rene Lucien Chomette. He was one of the sons of Henri Chomette, the founder of Chomette. We kept up the festive spirit by also having a movie character costume contest.

<https://www.entrepreneursdumonde.org/fr/>



Learning together

Our sales representatives participated in a training on quality control, road safety and sustainable development during our CHOMETTE  Convention (11 and 12 January 2017). Using real examples that apply to our sales representatives, the training involved discussing themes such as continuous improvement, eco-driving and the sustainable development objectives of the United Nations Global Compact Charter. There were very lively and in-depth discussions among the participants and trainers!

Promoting fair social relationships

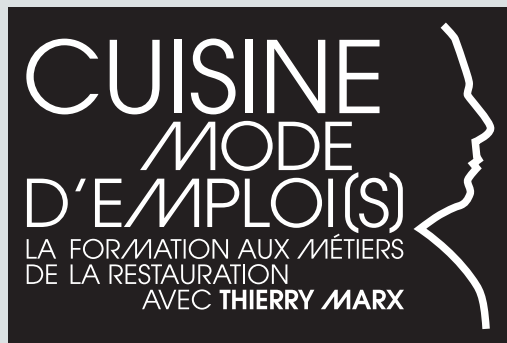
The E.CF Group supports other NGOs or associations that support social inclusion. We offer support to organisations in Australia and France.

Our initiatives :

Becoming self-sufficient

Cuisine mode d'emploi(s) was started by a collaboration between Thierry Marx, a starred chef who grew up in the 20th, and Frédérique Calandra, the mayor of the arrondissement. In 2012, they created Cuisine Mode d'Emploi(s) by developing a specific approach to train people who are not able to participate in classic training formats, then introducing them into the workforce. With training in restaurant, bakery, and service industries, the trainees learn through practical experience. Completely free and available in different territories to support local employment, this training program allows participants to work and become self-sufficient. Since 2012, over 90% of trainees have found employment after the training.

The E.CF Group has supported Cuisine Mode d'Emploi(s) since 2012.



<https://www.cuisinemodemplois.com/>

Using rugby to promote social inclusion

The goal of the Association les enfants de G... (in 2003) is to help disadvantaged children live by learning values through rugby. It supports 1,400 children each year (400 in France and 1,000 in Africa) through 14 centres (in France and Africa) and 150 volunteers. The E.CF Group has supported the Association les enfants de G... since 2012.



<http://www.enfant...>

Initiatives.

note values

s Enfants de l'Ovale (created
tagged children improve their
ough rugby. Today, there are
0% are girls!) who attend the
frica), which are run by over
up has supported the Enfants



[sdelovale.org/](https://www.enfantdelovale.org/)

The Christmas Spirit

Christmas makes us think of good cheer, family, friends, and exchanging gifts. But unfortunately, this isn't the case for everyone. To bring a little extra hope during this time of year, many initiatives were supported in December 2017:

In Australia, Reward (through its support of Charity of Choice – Friends with Dignity, which offers aid to women who have experienced domestic violence) collected gifts for refugee children and collected product donations (plates, glassware, kitchen tools, etc.) for women who had to flee their homes without any of their possessions.

Also in Australia, as they do every year, the Trenton site made many donations to charitable organisations (Aussie Farmers, Youngcare, Beyond Blue, La Fondation Pyjama, Impact, Homeless Support Inc, Animals Australia, and Thread Together).

In France, a drive was organised for donated children's games and books to support Secours Populaire. Over three large boxes of donations were sent to this organisation.



*A big thank you
to all employees
for their generosity!*

<https://www.secourspopulaire.fr/>

Social and environmental indicators

Social indicators

	2015/2016	2016/2017	2017/2018
Total Group workforce	838,92	861	1056
Men/women ratio (within UES)	57/43	56/44	54/46
Number of different nationalities in the Group (within UES)	14	13	12
Number of different nationalities at the head office (Grigny)	11	11	10
% of local employees at the Grigny head office	48,6	46,2	48,32
Number of training hours completed at Group level (within UES)	4654	3330	2882

Environmental indicators

	2015/2016	2016/2017	2017/2018
Electric consumption at the Grigny head office (in kwh)	1615878	1569811	1430137
Gas consumption at the Grigny head office (in kwh)	1632367	1846290	1821605
Average emission of the car fleet (France) in g CO2 per km	107	101	101

Outlook:

Same frame of reference, new tools

Our next sustainable development actions will continue to be implemented in accordance with the United Nations Global Compact Charter, which we have adhered to since 2004. We will implement two new initiatives.

First, we will build on our future materiality study.

«Materiality» can also mean «pertinence». It will define what may have a significant impact on our company, its activities and its ability to create financial or non-financial value for itself and its stakeholders. This matrix of materiality will help us identify and prioritise our company's environmental and social issues. By conducting this materiality study, we can more effectively:

- **Drive our sustainable development strategy,**
- **Prepare for risks and innovations,**
- **Communicate transparently with our stakeholders.**

The second initiative will be focused on the sequence of «*avoid - reduce - offset* (French: *ERC*)» The aim of this approach is to avoid environmental harm, reduce harm that has not been sufficiently avoided and, if possible, offset the significant impacts that could not be avoided or sufficiently reduced. Most often used by architectural construction operators, this sequence nevertheless applies to all projects in our company.

United Nations Global Compact Charter, materiality analysis and «avoid - reduce - offset» sequence: the key founding principles and tools to make our sustainable development approach more intelligible and coherent.

2018 Calendar

2018 Calendar											
April			May			June			July		
August			September								
1 D			1 M			1 V			1 D		
2 L			2 M			2 S			2 L		
3 M			3 J			3 D			3 M		
4 M			4 V			4 L			4 M		
5 J			5 S			5 M	World Environment Day		5 J		
6 V	Sports day		6 D			6 M			6 V		
7 S	World Health Day		7 L			7 J			7 S		
8 D			8 M			8 V	World Oceans Day		8 D		
9 L			9 M			9 S			9 L		
10 M			10 J			10 D			10 M		
11 M			11 V			11 L			11 M		
12 J			12 S			12 M			12 J		
13 V			13 D			13 M			13 V		
14 S			14 L			14 J	World Blood Donor Day		14 S		
15 D			15 M			15 V			15 D	World Youth Skills Day	
16 L			16 M			16 S			16 L		
17 M			17 J			17 D	World Day to Combat Desertification and Drought		17 M		
18 M			18 V			18 L	Sustainable Food Day		18 M		
19 J			19 S			19 M			19 J		
20 V			20 D			20 M			20 V		
21 S			21 L			21 J			21 S		
22 D			22 M			22 V			22 D		
23 L			23 M			23 S			23 L		
24 M			24 J			24 D			24 M		
25 M			25 V			25 L			25 M		
26 J			26 S			26 M			26 J		
27 V			27 D			27 M			27 V		
28 S	World Day for Safety and Health at Work		28 L			28 J			28 S		
29 D			29 M			29 V			29 D		
30 L			30 M			30 S			30 L	International Day of Friendship	
			31 J						31 M		

2019 Calendar

October			November			December			January			February			March		
1	L		1	J		1	S		1	M		1	V		1	V	Zero discrimination day
2	M		2	V		2	D		2	M		2	S		2	S	
3	M		3	S		3	L		3	J		3	D		3	D	World Wildlife Day
4	J		4	D		4	M		4	V		4	L		4	L	
5	V		5	L		5	M		5	S		5	M		5	M	
6	S		6	M		6	J		6	D		6	M		6	M	
7	D		7	M		7	V		7	L		7	J		7	J	
8	L		8	J		8	S		8	M		8	V		8	V	International Women's Day
9	M		9	V		9	D		9	M		9	S		9	S	
10	M		10	S		10	L	Human Rights Day	10	J		10	D		10	D	
11	J		11	D		11	M		11	V		11	L		11	L	
12	V		12	L		12	M		12	S		12	M		12	M	
13	S		13	M		13	J		13	D		13	M		13	M	
14	D		14	M		14	V		14	L		14	J		14	J	
15	L		15	J		15	S		15	M		15	V		15	V	
16	M		16	V	International Day for Tolerance	16	D		16	M		16	S		16	S	
17	M		17	S		17	L		17	J		17	D		17	D	
18	J		18	D		18	M		18	V		18	L		18	L	
19	V		19	L	Universal Children's Day	19	M		19	S		19	M		19	M	
20	S		20	M		20	J		20	D		20	M		20	M	International Day of Happiness
21	D		21	M		21	V		21	L		21	J		21	J	World Poetry Day
22	L		22	J		22	S		22	M		22	V		22	V	World Water Day
23	M		23	V		23	D		23	M		23	S		23	S	
24	M		24	S		24	L		24	J		24	D		24	D	
25	J		25	D		25	M		25	V		25	L		25	L	
26	V		26	L		26	M		26	S		26	M		26	M	
27	S		27	M		27	J		27	D		27	M		27	M	
28	D		28	M		28	V		28	L		28	J		28	J	
29	L		29	J		29	S		29	M					29	V	
30	M		30	V		30	D		30	M					30	S	
31	M					31	L		31	J					31	D	



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