



PAUL
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Corporate Social Responsibility 2019

A WORD FROM OUR CEO

Dear All,

I am both very pleased and proud that PAUL UK is communicating for the first time the work we have done to support our CSR initiatives in 2019. This type of report will become an annual communication to update everyone with the progress we are making to ensure that we continue to improve where we can the lives of our people and customers and the environment that we all live and work in. We are the neighbourhood bakery, and as such it's important that we have a positive impact on our local communities.

Our efforts are focused on 4 key pillars; our community, our environment, our people and our customers.

Our core asset is our people, and we continue to evolve our employment practices and thinking to ensure that we fit into our people's lives so that we appeal to as wide and diverse a group of employees or prospective employees as possible, and to thereafter provide them to the best of our ability with a stable workplace, flexibility, career growth and individual learning and growth opportunities in a safe and pleasant working environment.

We continue to work within our communities, working with partners to support our teams with initiatives focused on education, health and our environment and carbon footprint. This includes a wide variety of initiatives from apprenticeships, wellbeing initiatives, energy usage, our packaging and our waste management, and our product quality and range.

I would like to thank and recognise all of our partners on this journey, but must mention The Felix Project, Too Good To Go,

Bug Life, and First Mile for the work we are doing together and the work they are doing in the wider community.

I would also like to thank our customers for their continued trust and loyalty. We would not have a business without your patronage and support and we will be forever grateful for your belief in our brand.

Above all though I offer my thanks and appreciation of our teams across our entire business who work so hard with dedication, teamwork, high levels of skill and professionalism mixed with a great deal of fun and pride.

We are all fortunate to be part of the PAUL UK family, but this also requires a responsibility to continually strive to improve the lives of our teams and customers, to improve the communities within which we operate, and the planet in which we all live. The strength and reputation of our business has been hard earned through the trust of our people and our customers, and we work every day to justify this trust by delivering the Paul product quality and service experience through our professional and fully trained teams. Equally we strive deliver our commitment to be responsible corporate citizens with the same passion and determination.

Thank you to you all for your continued support and trust in PAUL UK

Mark Hilton

CEO



**Our
Sustainability Objective:**

To evolve, establish, pioneer and optimise our operations and commitments to create a more sustainable future for our business, our customers and our employees that we can live, breathe and be proud of.

OUR APPROACH



50p from the sale of our Keep Cups sold in every PAUL UK store is donated to Bug Life.

At the core of our business are our values of integrity, honesty, passion and commitment. We work hard to make sure that what we do is right - not just for us, but also for the people we work with, the communities we're based in and the world we live in.

We've always been conscious of the way we work and the impact we have on everything around us. Our values are integral to the way we do business and to how we build and manage our relationships with our customers, employees and suppliers. Our Sustainability approach is driven by these same values.

Our Sustainability Strategy is built on 4 Key Pillars: Community, Environment, People and Customer. These pillars support our business model and allow us to focus our activities on the areas of greatest impact for our business.

Our CSR strategy is led by our Heads of Marketing and Commercial and is overseen by our CEO. This is supported by the larger group, PAUL International, based in France. Our strategy is driven across the business, with all employees responsible for actioning it and building it in to their daily roles.

We have made some really exciting progress this year. We recognise that this is a continually evolving area and we are by no means perfect. We are on a journey and have much still to do, however we are committed to this and excited to see what we can continue to achieve as we move forwards.

Our 4 Key Pillars

Community

Volunteering

Food Donations
& Discounts

Local Donations
at Store Level

Fundraising at
Corporate Level

Environment

Recyclable
Packaging

Food & Waste
Recycling

Responsible
Energy Resources

Logistics &
Transport

People

Fairness & Equal
Opportunity

Staff Health &
Wellbeing

Reward &
Recognition

Training &
Development

Customer

Balanced Diet

Allergen &
Ingredient visibility

Local
Suppliers

Responsible
Supply chains

Sustainable Development Goals

The United Nations Sustainable Development Goals (UNSDGs) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. They were adopted by all United Nations Member States in 2015 and, at PAUL UK, we align our strategy to the principles of this internationally recognised framework.

Our business activities impact, directly or indirectly, on all of these principles. However, we naturally have a greater impact, and hence greater ability to influence, in some areas than others, and our work to date has focused on those we can most readily influence.

As our strategy progresses in the coming years, we are committed to spreading our influence wider, challenging our ways of working, along with our suppliers and other stakeholders, and rising to the challenge of tackling more of these principles throughout our operations.



We are making achievements on these SDG's through our current initiatives, although we know we have more work to do.

BUILDING *a SUSTAINABLE* FUTURE FOR OUR TEAMS & CUSTOMERS

Our People

Our People – PAUL'S Perfect Recipe

Our team is the secret ingredient of our business, and each member of our PAUL UK family is highly valued. Their success is our goal.

The most important asset of any business, especially within the Hospitality sector, is its people.

PAUL UK strives to nurture individuals to build great teams, providing everyone with the opportunity to develop within the business.

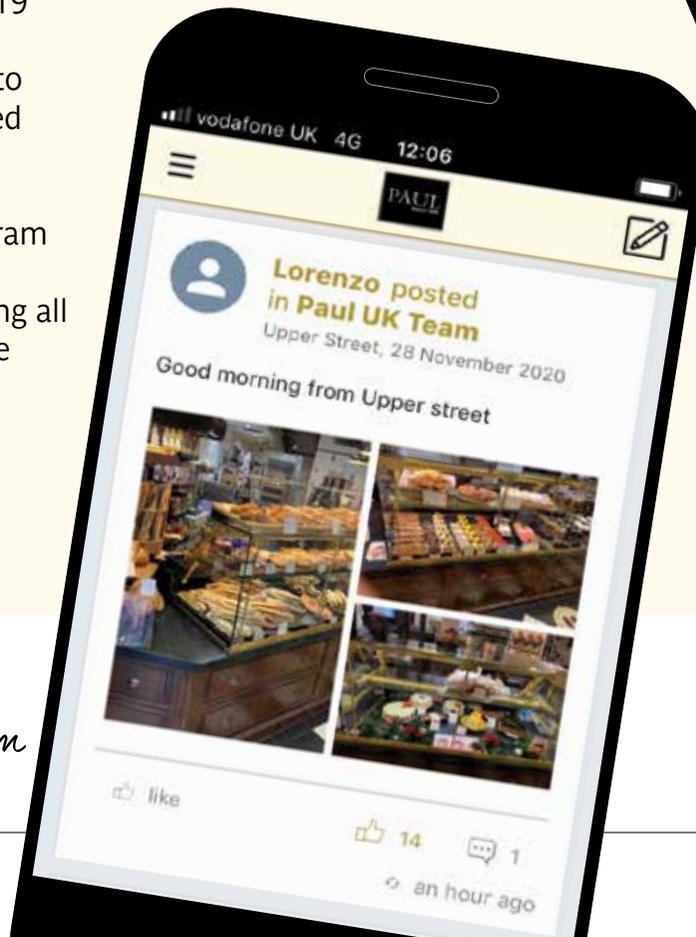
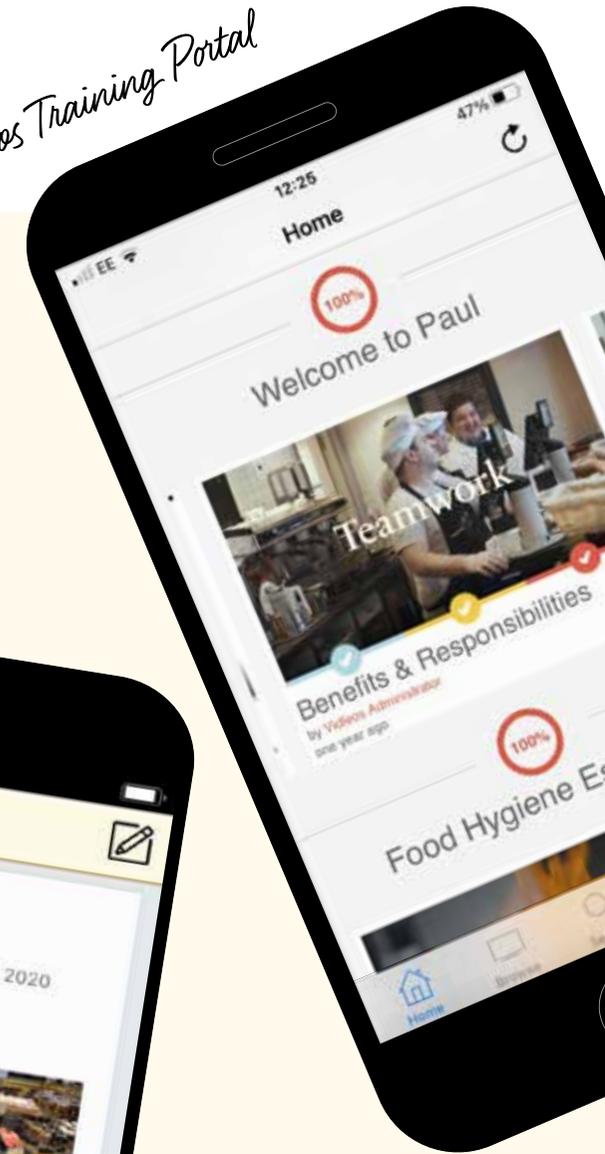
We endeavour to ensure the tools and knowledge are available to employees in order to achieve this and are continually looking to enhance our employee offering.



Highlights:

- 13 Rising Stars have graduated from our program in the last year
- 23 of our employees are currently undertaking apprenticeships
- Launch of our Reward & Recognition Programme for 2019
- Launch of our Videos online training portal for all staff to support a blended learning approach through video based learning
- Launch of the PAUL Academy, our Apprenticeships program
- Launch of our Employee Assistance Programme, providing all employees with access to support in relation to any issue they may be facing
- Introduction of Fourth Engage, our new internal social media platform

Videos Training Portal



*Fourth Engage
Social Media Platform*

Training & Development



At PAUL UK, we are committed to providing high quality learning and development to our whole family, from our store staff through to our management and Support Office teams. We have a dedicated People Development Manager who ensures our staff receive high quality onboarding training from day one and job based development to support them, not just in their current role, but also to help them reach their career aspirations.

Our 'Rising Stars' program is a key feature of our succession planning strategy, designed to equip those who have reached Supervisor level with the skills required to become Assistant Managers. The programme has been aligned to the L3 Hospitality Supervisor Apprenticeship standard which means the Rising Stars achieve a recognised qualification alongside the opportunity to be considered for promotion. In 2019 we had 13 graduates from the Rising Star Programme and aim to encourage more to join and complete the program every year. This program continues to identify and develop talent and aims to ensure that PAUL UK remains their employer of choice over their long-term career.

In addition to this, we also have a strong Apprenticeships programme in place within PAUL UK. We are extremely proud to currently have 23 apprentices working within our business from L2 all the way through to degree equivalent L6 and we are excited to announce the launch of the PAUL Academy in the coming year, where we will support our staff from all levels of our business to undertake an Apprenticeship to help give them the tools to shape their future career path.

“It’s a fantastic opportunity to further my education while working, and PAUL have supported me in achieving my goals every step of the way!”

Sebetso Mabena
L6 Chartered Manager Apprenticeship

Staff Health & Wellbeing

The health, wellbeing and safety of our employees is of paramount importance to us and we have a comprehensive programme of work in place to ensure our employees' health and wellbeing needs are met.

We provide a very robust range of benefits for our employees to help us ensure that their working life with us complements and supports their family commitments, including flexible working hours, medical/health cover, discount offers including: gym memberships, bike purchases and leisure activities. We also have well-established initiatives such as recognition for long service, annual employee awards and reward and bonus schemes that allow employees to share our success. The more informal aspects include staff parties and social events, whilst our new internal communications platform has been launched to ensure everyone feels included and can participate in our PAUL community.

We have recently launched a new Employee Assistance Programme which is open to all employees to support them through any challenges that life might throw at them, whether inside or outside of work. We also have dedicated Mental Health First Aiders within our business who help support staff should they need it.

Fairness & Equal Opportunity

PAUL UK employs over 500 people in the UK and we have robust policies in place to ensure that we promote equal rights for all, regardless of age, colour, gender, sexual orientation, disability or religion.

The diversity of our people helps us meet market challenges and our employees tell us it is one of the things they love about working for PAUL UK. It is underpinned by fair and open recruitment processes with clear terms of employment.

All staff are provided with a contract of employment and a full induction into their role and the business, along with immediate access to our policies to ensure everyone is aware of the expectations regarding how all employees should be treated.



Our Environment – PAUL's Promise

We source our raw ingredients from the land.

We have kitchens that bake bread and create products.

We run retail stores that sell these products to our customers.

All of these activities have environmental impacts.

At PAUL UK, we recognise this and we work hard to manage these impacts in a responsible way.

We strive to minimise our environmental impacts where we can and aspire to be a positive force in protecting and nurturing our environment.





Too Good To Go

Highlights:

We are proud to have been honoured in early 2020 with the Best Sustainability Initiative Award as part of the QSR Media UK Centegra Awards 2020. The award recognises our focus during 2019 on reducing food waste:

Through our work with The Felix Project, any surplus bread is turned into bread pudding and redistributed to local charities around London: 16,046 meals were distributed last year.

A further 17,923 meals were redistributed to those in need from our Notting Hill Gate and Holland Park stores.

Through partnering with the 'Too Good To Go' app, we helped rescue more than 55,000 meals and saved 137.5 tonnes of carbon emissions.

Our Eco friendly reusable Keep Cup diverts more than 10,000 take-away cups from landfill each month. 50p from the sale of each Keep Cup goes towards creating green spaces for bees and other pollinating insects.

We are in the process of replacing all non-recyclable single use plastic packaging with 100% PET recyclable plastic or FSC approved paper/cardboard.

All of our stores use only Green Energy and operate a 'closed door' policy to minimise energy use.



Packaging & Looking Ahead

Packaging has been a major focus for us this last year and we have set ourselves an ambitious target to remove all single-use plastic from our own brand packaging by 2022. This means we are transforming our packaging to ensure that it is all either compostable, biodegradable, or made of 100% recyclable/recycled material.

In May 2018 PAUL UK was one of the first bakery chains in the UK to remove plastic straws from the business, and this was extended to stirrers and plastic bags. This year we have further decreased our use of single use plastic by replacing all cutlery with FSC approved wooden cutlery.



Food & Waste Recycling - Our Fight Against Waste

As a provider of food and drink, minimising our contribution to food and other waste is a priority. We're committed to reducing our waste across all stores and work to the principles of Reduce, Re-use, Recycle.

Reduce:

We have introduced a New Product Development (NPD) structure to mitigate food waste when creating and introducing new recipes, using ingredients across multiple lines, reducing our chain of supply and waste product.

Re-use:

We believe that it is vital to manage food waste effectively, reducing and reusing where possible but then to repurpose what remains to help feed those in need.

We work with the team at 'Too Good To Go' to offer discounted end of day products to customers to help reduce waste. This year we rescued 55,000 meals through these end-of-day sales.

Throughout 2019, we have continued our partnerships with The Felix Project, among other charity partners, to help us redistribute end-of-day food to those in need.

“We’re on a mission to eliminate food waste globally and we are delighted PAUL UK is committed to helping us do this. Preventing delicious and perfectly edible food from ending up in landfill is not only a win for the planet, reducing CO2 emissions from wasted food production, but makes good business sense too”

**Hayley Conick,
UK MD of Too Good To Go**

Felix Project Case study

PAUL UK partners with The Felix Project to redistribute as much end of day food as we can. We donate all of our surplus bread to them where it is turned into bread pudding and redistributed to local charities around London. This year, 16,046 meals were distributed this way.

Our Notting Hill Gate and Holland Park stores also donate all remaining end-of-day food to The Felix project on a daily basis. An additional 17,923 meals were collected and distributed by them from these store donations this year.

one of the vans we donated!

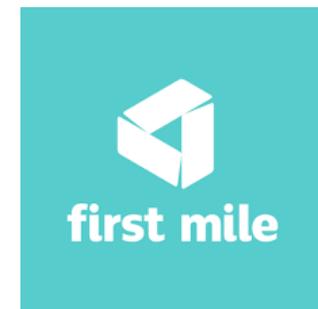


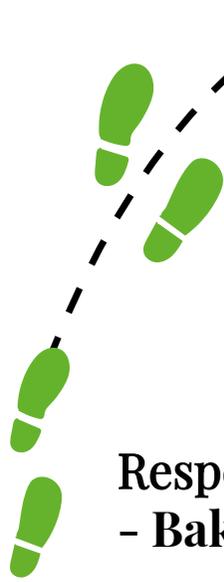
Recycle:

This year, PAUL UK have partnered with The First Mile to launch a Recycling Scheme into our stores. Our First Mile partnership achieved a 66% recycling rate and 0% waste to landfill. We continue to roll this partnership out and 100% of stores where we have control over waste management will be part of this scheme by end 2021.

We also launched our Coffee Bean Recycling Scheme through First Mile and are aspiring to recycle 100% by end 2021.

Pale Green Dot: Dedicated Food Waste recycling from our Central Production Unit, East Acton Bakery. Using a recycling scheme to help achieve 100% recycling at our central bakery, recycling food waste such as cake sponge cut offs and egg shells.





Responsible Energy Resources - Baking Our Way to a Greener Future:

PAUL UK recognises that lasting change in energy consumption by the company requires changes in behaviour across the business. Through regular maintenance of our equipment, to securing green energy supply for our stores, we are committed to reducing our carbon emissions and to finding leaner, greener energy solutions for our business.

Our Central Production Unit in East Acton is using Green Gas, removing up to 1,163,812kg. of CO2 each year.

Logistics & Transport:

We are proud to have our own fleet of vehicles, enabling us to plan our delivery routes to minimise travel miles and reduce carbon emissions.



Our Community

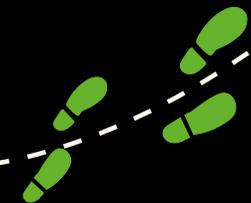
BAKING

OUR WAY

TOWARDS *a*

GREENER

FUTURE



OUR COMMUNITY

Our Community – PAUL's Presence

Our bakeries have been community cornerstones for 130 years. Our passion is to feed people and give them a welcoming space to come together.

We feel passionately about ensuring we are a positive force in all of our communities, and our goal is to remain a familiar and reliable presence.



Local Stores supporting Local Communities

Our stores sit at the heart of their communities and it is important for us that our stores contribute to those local communities. Many of our stores have a direct link to a local charity or community group that they support on a regular basis. Charities include The Felix Project, Project Soup, West London Mission and Foodcycle.



West London Day Centre

The West London Day Centre provides a drop-in service and day centre for homeless people in and around the Marylebone area of London.

It serves an average of 100 people per day, providing a hot breakfast, access to NHS doctors and opticians and advice and support. Over the course of a year they estimate they provide support to around 1,500 individuals. Our drivers make regular deliveries of surplus bread from our local stores which is used in soups and salads for their clients.



Fundraising

PAUL UK are proud to have worked with Action Against Hunger since 2009. Action Against Hunger focus on saving the lives of malnourished children by ensuring everyone can access clean water, food, training and healthcare. Through their work, they enable entire communities to be free from hunger. This year we ran a dedicated 'Love Food Give Food' campaign to raise funds specifically for them.

We also support other charities such as Bug Life, a charity which is dedicated to protecting insect-life and the rehabilitation of Bees. 50p from the sale of our Keep Cups sold in every PAUL UK store is donated to Bug Life.

During the festive season we donated 50p from the sale of our Festive Sandwich to The Felix Project.

Volunteering for Others

Our teams regularly volunteer at Refettorio Felix, a venue created through a collaboration with Chef Massimo Bottura's non-profit organisation Food for Soul, and The Felix Project.

Their work is grounded in the power of a shared quality meal made with 100% surplus food with the aim of tackling poverty, hardship, sickness and distress.

Our Support Office team volunteered for the day at Adelaide Local Nature Reserve in North West London. It is managed by a local volunteer group, which works with the council to improve the site for wildlife.

FIGHTING FOOD WASTE THROUGH ETHICAL PARTNERSHIPS

Our Customers



Our Customers – PAUL's Priority

Our customers are the beating heart of our business. Ensuring that we communicate openly and honestly with them and provide as much information as possible about our products and our business, is important to us. Building an honest relationship with our customers is paramount to PAUL UK.



**We continue to use local suppliers
wherever possible**

**We have expanded our product range in the year
to offer an increasing range of vegetarian and
vegan options**

We use zero palm oil in our product range

OUR PRODUCT



Balanced Diet

Healthy eating is a personal responsibility, but at PAUL UK we acknowledge that, as a provider of food and drink, we have an important role to play in offering appropriate options to ensure dietary requirements and balanced diet needs can be met.

Our ingredients are carefully selected and prepared at the peak of freshness to preserve nutritional benefits and bring maximum enjoyment. We don't use any artificial ingredients or colourings to extend the shelf life of our products. We continually develop new products that use both locally sourced and seasonal fruits and vegetables.

PAUL UK offers an increasing range of vegan and vegetarian options, and we are developing more of these recipes every season.

Local Suppliers & Responsible Supply Chains

At PAUL UK our dedicated sourcing team looks to source only the best ingredients that meet our high standards of quality, welfare and origin. We work hard to minimise food miles where possible and are committed to continuing to expand our local procurement practices.

Allergen & Ingredient Visibility

For customers with dietary restrictions, PAUL UK provides clear allergen charts in each of our shops, while also supporting and training our team members on allergen and ingredient policies. This information is also available 365 days a year on our website. Nutrition information is also available on our website for all products.



We're proud of our achievements this year and excited about our plans for 2020 and beyond.

The commitment of staff at every level of the business to our Corporate Social Responsibility mission is heartening, and we look forward to reporting even more progress next year.