



CSR Report II

Extra-financial
performance 2018



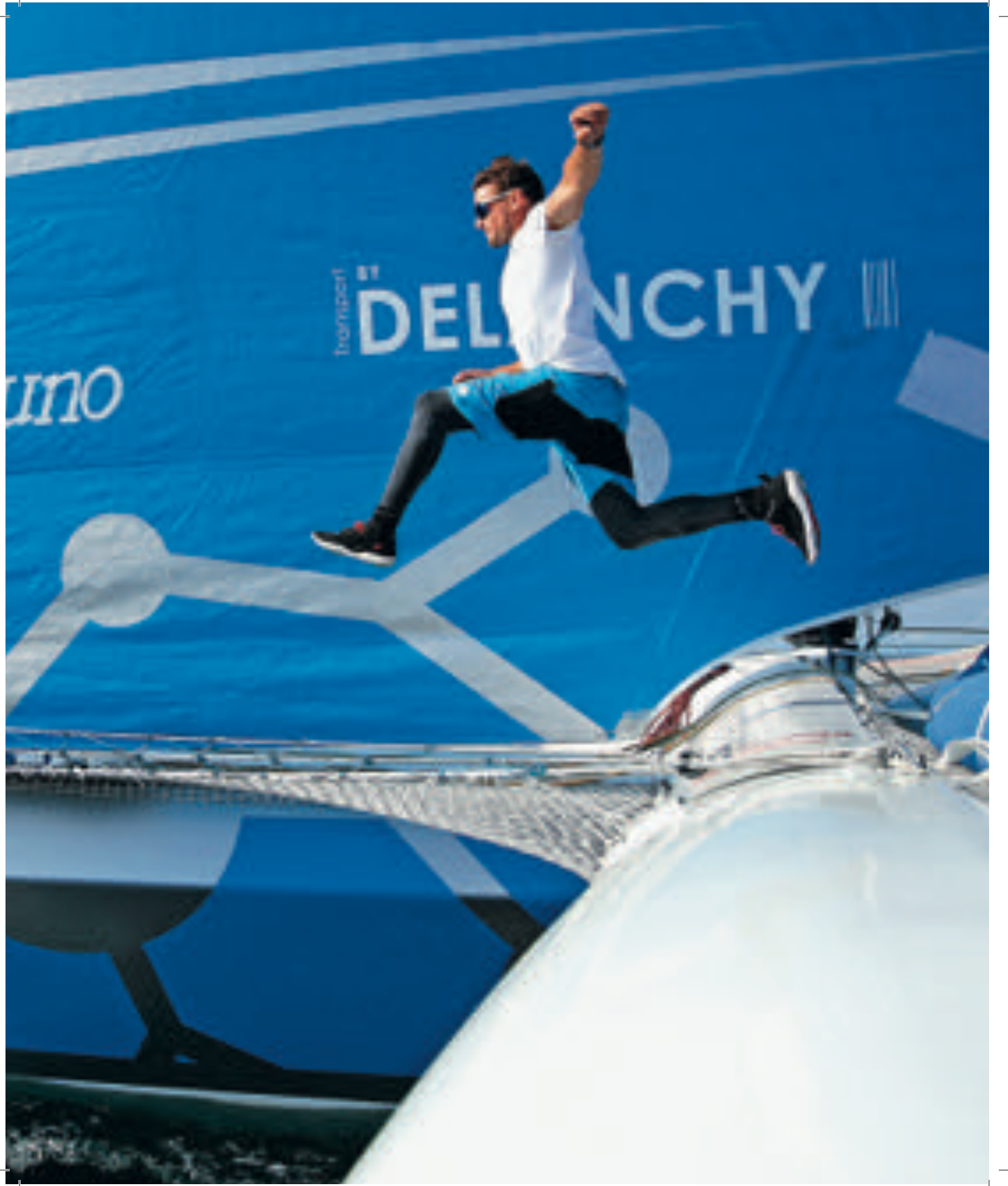
Transport **BY DELANCHY®** III





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Extra-financial
performance 2018



transport **DELINCHY**

ino

FOREWORD

Family spirit !

Friday 9 November, great weather conditions off the coast of the Azores. Everything is under control, we have survived the worst after three storms. I am leading the Route du Rhum in the Multi50 category and am third in the general ranking behind Joyon and Gabard. Although I don't have much time, I am thinking about celebrating: my dream is coming true.

At about 11.15 am, a loud dull noise drags me from my daydreams. My large sail has collapsed suddenly. In the space of a few seconds, the vessel that had promised to carry me across the ocean had just abandoned me. I understand the gravity of the situation almost immediately, with the downhaul of the head of the main sail torn off and the mast rail torn, the Route de Rhum is over. A part the size of my hand has turned my dream into a nightmare. My head is filled with thoughts. I think about all the efforts made, the long hours spent preparing, my loved ones, my team on land who have no idea what is going on, and also all those who believe in me and support me.

They include the DELANCHY family.

I use the word family in reference to all the staff I had the opportunity to meet at the company's 50th anniversary. This was in Clermont-Ferrand, then in Nantes at the start of February. I understood during our discussions over these two days the meaning of the term family company. I understood from the pride in the eyes of each person that the company was very much an adventure. At last, I understood from the fascinating discussions that many types of damage are overcome thanks to the team spirit that drives DELANCHY's men and women.

Saying that I had time to think about all this on Friday 9 November would, of course, be untrue. However, the incredible solidarity that was set in motion and helped me, after a stopover on the island of São Miguel, to set sail again the following day after an express repair, did not fail to show me the eminently collective value of this solitary sport. At that point, yes, I did think about all this! The excitement of this new departure and the motivation showed me that the race was not over. The mobilisation I saw was a huge boost!

It is these values that I feel are at work in DELANCHY'S strong commitment to its CSR policy. As I read this report, I understand the difficulty of the race in which this company is engaged. A race that is all the more complicated since the finish line is constantly moving. For DELANCHY, CSR is a never-ending race!

At my own modest level, I am proud to be a part of it..

Thibaut Vauchel-Camus

Thibaut Vauchel-Camus took part in the Defi Voile Solidaires en Peloton for the ARSEP Foundation which finances research on multiple sclerosis. He is supported by DELANCHY





EDITORIAL

This second CSR report confirms the special place we give to our Social and Environmental Responsibility, but also the importance it has in our strategy.

Combining extra-financial performance and economic performance is now automatic in our company. It is no longer about good intentions on the periphery of our business, but very much its heart and the conditions for its development. We will soon be laying the first stone of our new headquarters in Mayenne, at the gateway to Brittany, the birthplace of the company. Already, we have decided to ensure that this space mirrors our values and our beliefs.

I am well familiar with the scepticism that surrounds CSR, including sometimes among company directors, therefore, here I want to bear witness to the benefits of CSR for our own company. I will limit myself to mentioning just three of them

The first is that it has increased our pride in belonging to a company created by my father in 1968, a man who always applied the principles of CSR without making the process official. A comparison between the good practices of the various CSR standards and our own helped us to realise that this approach could very much be considered as a part of our history and that it was even a natural extension of it.

The second benefit is that this CSR approach has made our efforts in different areas (road safety, food safety, carbon footprint) more coherent and, therefore, more effective. CSR has provided us with a framework for progress. This framework inspires the entire company, from the Management Team to the professionals we hire who now see CSR indicators appear in their job descriptions!

The third benefit is less obvious but, in my mind it is equally important.

By challenging the basic principles of our profession, CSR has encouraged us to take a more forward-looking approach to our activities, to the value we create for our customers, and also to many other aspects such as the impact of digitalization, artificial intelligence, and even our role in the common good!

Despite the very tangible nature of our business, these themes have been warmly welcomed by our employees, in particular the younger generation, so much so that I decided to create a “Junior” Management Team bringing together about fifteen executives all under 30 years of age.

The enthusiasm, creativity, and high standards of these young men and women confirm the importance of tackling these challenges, but above all, seeing the projects resulting from their work confirms my belief that CSR is an effective method for developing the company of the future.

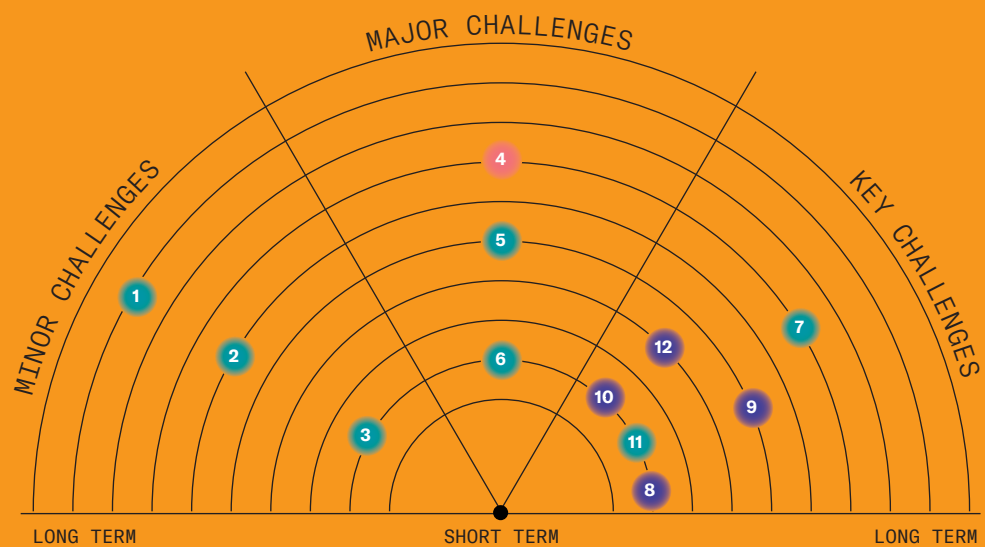
Brigitte Delanchy
Chief Executive Officer

- 1 Territorial impact
- 2 Equal opportunities
- 3 Risk of pollution
- 4 Protection of water
- 5 Training & skills
- 6 Well-being at work
- 7 Quality of social dialogue
- 8 Food safety
- 9 Staff safety
- 10 Road safety
- 11 Ecological footprint
- 12 Loyalty of practices

● Level of excellence to maintain

● Significant progress to confirm

● Progress that's sensitive to engage.



The cartography materialising the application framework for the company's CSR approach:

- identify the priority challenges
- adopt a short and long-term logic

This cartography lists the environmental, social and societal changes which have an impact deemed to be significant on the company's ability to achieve its responsible performance goals. This work designed to prepare our reporting procedure was inspired by the principles of the GRI® (Global Reporting Initiative). One principle, relevance, was the subject of detailed work by the Management Team in order to ensure that the report highlights aspects that reflect the organisation's substantial economic, environmental, and social impacts.

It is this work that structured the contents of this report and allowed us to prioritise the refining of certain indicators based on three key challenges: ecological footprint, food safety, road safety.

This year, certain challenges have been the subject of detailed analysis in order to better understand the impacts and define the corresponding initiatives. This is the case of the carbon footprint, which is now referred to as the ecological footprint in order to better reflect the reality of the impacts (read full interview on pages 28 and 29). Finally, this report presents a new editorial angle called "Follow-up". The idea behind this involves presenting innovations over time. This year, it is the turn of two topics: the commissioning of an electric truck (pages 34 and 35) and the back-to-work measure (pages 46 and 47).

OUR APPROACH

CSR is an improvement process that is based on a profoundly human dynamic. Our report reflects the values of the company: pragmatic, simple, direct.

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On the road...

The modernisation of platforms and the extension of the network are part of the CSR process.

It materialises the company's ambition and provides a concrete framework of expression for a series of virtuous initiatives at the service of the customer, the well-being of teams, and the environment.

The network of 41 agencies is developing the "*Delanchy model*", it is a territory of innovation and experimentation that aims to build the company of the future and support our customers in their development.









Because working spaces are also living spaces, the agencies are systematically the subject of major efforts in terms of design and decoration.

The company's logistics performance and know-how include many CSR criteria. The Group's men and women are DELANCHY's strength, they are the driving force behind its logistics performance. Improving procedures, reducing the difficulty of certain tasks, DELANCHY looks for different solutions and tests them on its platforms. The CO'LAB too works on new cobotisation solutions.









Modernisation, here are the works! In La Gravelle, Mayenne, a new platform is being built in order to allow the company to manage its development. The company is using the opportunity to commit to the “*ideal platform*” approach. This project aims to favour, on a relevant scale, the experimentation and dissemination by example of good practices from the consumption of resources and their optimisation to the prevention of natural and noise pollution, including well-being and working conditions (see page 50).

The investments made bear witness to the ambition to make this site a reference in the company: new-generation CO2 cold units are installed and greatly reduce the company's carbon footprint.









The HGV parking area will be have canopies covered with photovoltaic panels that produce green electricity: 20% of the site's energy needs will be covered by decarbonised energy production.

A major player

A just-in-time pioneer on the Lorient-Lyon line, the Group moved into fresh goods and logistics at the start of the 1980s. Nowadays, DELANCHY is a company specialising in the transport and logistics of perishable goods at a controlled positive temperature.

The Group is characterised by:

- an effective infrastructure, a largely decentralised organisation, namely 41 agencies (two of which are in Italy, one in Spain and an air and maritime export service) ;
- a family corporate identity: Joseph (founder) and his children Brigitte and Frédéric manage the organisation ;
- a financial performance that guarantees independence;
- a principle of monitoring quality of service by means of the strict limitation of sub-contracting ;
- a civic approach that combines compliance with regulations, extensive anticipation of the legislative framework in the CSR field, and the principle of example from the top-down.

Responsibility

The Group transports fragile goods, therefore it has a major responsibility.

Its mission is to ensure delivery within timescales in accordance with the very best conditions of health, security, traceability and quality.

Environment

Upstream : dispatching customers

- Wholesale fish merchants
- Farmers
- Cooperatives
- Processers
- Wholesalers
- Agri-food manufacturers

Downstream : receiving customers

- Retailers
- Outside catering services
- Wholesalers
- Volume retailing platforms
- Volume retailers



CSR: historical landmarks

1 Health safety

1970

The invention of the just-in-time transport offer

Joseph Delanchy doubles the teams and invents the just-in-time transport of seafood. After collection at ports in Brittany, the truck departs at midday to arrive at the market in Lyon in the night or the early hours of the morning. Thanks to this new service, the fish served in Lyon is now just as fresh as that served in Lorient!

2 Road safety

1975

Implementation of preventive maintenance

DELANCHY equips itself with a preventive maintenance workshop. The aim is double: to increase the safety of vehicles and avoid breakdowns. Another virtue of this workshop is also that it prolongs the lifespan of vehicles.

3 Social innovation

1994

Creation of the DELANCHY Academy. The company invests in training, thus creating a pool of workers and a training offer tailored to the profession.

4 Ecological footprint

2014

DELANCHY opens an "ideal platform" in Bordeaux-Bègles

The 3,500 sq m. structure is built according an eco-responsible approach. The calories from the cold storage rooms are collected and used to heat the installations. 60% of the rainwater captured in a tank is used for watering and washing vehicles.

2017

A 100% electric truck

Renault Trucks and the DELANCHY Group develop a 100% electric truck equipped with a refrigerated box for delivering fresh goods. This prototype free of polluting emissions (and noise emissions) delivers the Halles de Lyon Paul Bocuse market.

5 Digital solution

2018

The Group implements D'Livery, a digital and collaborative solution



60%

fresh goods (cold meat, fresh meat, fruit and vegetables)

40%

seafood



65%

transport

35%

logistics

41

agencies and platforms

3 200

employees

110 000

sq. m of warehouses

1 000

véhicules

Brigitte Delanchy
Chief Executive Officer

Understanding the CSR approach



You initiated an ambitious CSR process but relatively late on, how can you explain this ?

We have always paid attention to the evolution of CSR practices but we did not want to commit our teams to an official process or a communication operation. We felt that official processes generated additional paperwork for our teams without any real added value. Pure communication operations were in contradiction to our culture of sticking to the facts. However, this lack of formalisation and communication did not in any way prevent us from studying and making headway on all the subjects covered by CSR. This can be seen in our history, which is punctuated with innovations and, above all, by the anticipation of the regulatory changes that govern our profession.

What made you decide to formalise this process ?

The decisive factor was our belief that this process constituted a lever for progress that concerned the company as a whole, all the staff, whatever their position, and also the “extended family”, the customers upstream and downstream, and our suppliers. When you work with discernment and a clear desire for change, there is great potential for enthusiasm.

On the basis of which principles did you commit to this process ?

On 7 July 2017m the Management Team adopted the strategy unanimously. Everyone is committed to identifying significant subjects, progress initiatives, and the corresponding indicators in his or her own field. We then adopted three principles: collective mobilisation including our entire environment, experimentation in the field at the most relevant level, that of our agencies and platforms, and finally, speed of implementation. To be effective, everyone must feel concerned, be allowed to progress at his or her own level, and the progress made, as modest as it may be, must be visible in the short term.

Can you give us a few examples of this strategy at work ?

There are many and some are outlined in this report: the back-to-work measure, tested at our Boulogne-sur-Mer platform in one profession and then rolled out to other professions in several other agencies, the fully electric truck tested in Lyon in association with Renault Trucks, which will be deployed as of next year, and the taking into account in our transport plan of sensitive areas

in terms of air quality which are now delivered systematically using latest-generation vehicles. This latter initiative illustrates CSR's ability to favour collaborative innovation since it is a result of cross-cutting meetings. It also highlights the company's responsiveness, which very quickly progressed from words to actions.

In what way does each person feel concerned, authorised, and even encouraged to advance at his or her own level ?

Everyone is now concerned by the implementation of the CSR strategy because, in the space of two years, everyone has been able to see its impact on our relations with our customers. Here, the main supporter of the CSR strategy is the Sales Director! He does not see it is an additional constraint, but on the contrary, he feels that it offers him new opportunities to meet market demand and promote our offer. Our process is largely perfectible and we have a great deal of progress to make, but we have managed to do one important thing: to place CSR at the heart of our economic model. It is now up to us to ensure that it exists every day for our employees.

What will be the signs of its existence every day ?

In actual fact, these signs can already be seen. The first is the setting up of permanent reporting at the level of the agencies. In concrete terms, this means the posting of indicators that are deemed to be important in relation to our major challenges: road safety, food safety, carbon footprint. This action was studied at a unique seminar bringing together the 40 platform directors. In one meeting, we

chose the indicators and adopted the principle of posting them in the agencies. This will be implemented in 2019. Another sign of this existence in our everyday is the work carried out by our HR teams to integrate certain CSR indicators into job descriptions. Here again, very quickly a working group created the connection between the professions, the challenges, and the way in which job descriptions were drawn up. These examples reflect the scale, depth, and pragmatism of the process.

Committing to an approach also means committing to reporting and, therefore, taking the risk of seeing these indicators deteriorate.

How can this risk be managed in a competitive environment ?

It is precisely because we are in a competitive environment that we have to publish our indicators with honesty and without any taboos. Take the example of the profession of driver which is currently under pressure. This situation largely explains the deterioration seen this year in terms of accidents. It would be naïve not to talk about this challenge which concerns the entire profession. We know that our customers compare our performance to that of our competitors, but, above all, so that they evaluate assess the strength of our reaction as illustrated by the ram-

ping up of our efforts in the field of training and in particular eco-driving.

You have set up a working group called CO'LAB that brings together young executives. What is its role?

The idea is to allow the new generation to "challenge" the company's strategy and help us to change the shape of things whilst encouraging it to face the reality of the different constraints of our profession and also, as I have just mentioned, its particularly harsh competitive environment. This means "imagining" the profession of the future with all the uncertainties and promises that this involves, but also putting concrete actions

« We have managed to do one important thing: to place CSR at the heart of our economic model. It is now up to us to ensure that it exists every day for our employees. »

into practice in order to anticipate. It is an exercise that requires combining work, humility and sharing, all values that have accompanied us for more than fifty years.

The CO'LAB, the incubator made in DELANCHY

The Collaborative Team or Laboratory Team, CO'LAB, which brings together eleven participants, was created in 2018 in order to imagine DELANCHY of the future. The company is setting its sights on the future and is inviting the new DELANCHY generation to work on innovative projects, two of which it promises to put into practice every year.



Convinced that millennials hold the key to the digital revolution and the digital transformation, the company felt that it was only natural to ask for their help in understanding changes in professions in the transport and logistics sector.

This was how the Management Team decided to set up the CO'LAB in charge of imagining the company of the future. Meeting once a month, DELANCHY's vital forces rack their brains to make procedures smoother and imagine the directions to be taken in the future. They explore, analyse, and benchmark.

Driven by a wish to be virtuous, these young people are the purveyors of contemporary concerns: reducing the cost and spending on energy and participating in improving the daily life of employees, but also imagining the professions of the future. These are all subjects which they tackle



► CO'LAB meets once a month to imagine the company of the future

with great enthusiasm, dedication and dynamism.

The first meetings provided the opportunity for large-scale brainstorming sessions and gave rise to varied projects. They were refined over the months to become compelling and promising. For this, the CO'LAB's members had to get close to the ground.

Several projects concern the conditions for organising research and innovation with recommendations that encourage entrepreneurship. The participants also made their

contribution to the ideal platform project focusing widely on the digitalisation of professions.

Finally, the Group's members studied the company's energy transition project: saving measures, own production, substitution, etc. The proposals reconcile the short and

the long term and give rise to concrete proposals which the Management Committee has committed to studying and arbitrating from 2019 onwards.

Imagining DELANCHY of the future, a subject which the CO'LAB tackles with great enthusiasm, dedication and dynamism

Our ecological footprint

The company's ecological footprint resides mainly in three sources of pollution: noise, NO_x (nitrogen oxide emissions) and fine particles, as well as in the carbon footprint that measures the volume of carbon dioxide (CO₂).

Key to understanding

European regulations have helped drastically reduce atmospheric pollution from road transport.



OUR INITIATIVES

The company's initiatives for reducing its ecological footprint are based on the following actions :

- research and experimentation of alternative energies (all the new forms of motorisation are being deployed),
- renewal of the composition of the vehicle pool,
- deployment of eco-driving which concerns more than 30 good practices,
- support for research on the energy mix and hydrogen (Energy Observer).

As at 31 December 2018, 88% of the pool was Euro 6.

① Composition of the vehicle pool

31 DECEMBER 2018

EURO 5: 11.53%



EURO 6: 88.47%



31 DECEMBER 2017

EURO 5 : 33,72 %



EURO 6 : 65,79 %



The last Euro 3 and Euro 4 have been definitively removed from the vehicle pool.

② Average consumption of tractors (source Optifleet)



END 2018

27,98 l / 100 km

END 2017

28,10 l / 100 km

We registered a strong decrease between 2015 and 2017 (0.75 l/100 km in 3 years) and in 2018, there was still progress, but it was more moderate.

③ ECO-score

2018

8,01

2017

7,78

The company adopted the ECO-score* (Optifleet software) to improve the average consumption of its vehicles.

* Good: > 8 / Could do better: 6 <-> 7.9 / Low: < 6

82 dB

The noise emitted by delivery trucks decreased by 5 dB, from 87 to 82 dB between 2009 and 2018

5 mg/km

Upper limit for the level of particles in force in the Euro 6 standard

-97%

Percentage of NOx emissions (namely 14.4 to 0.4 g KWh) since the setting up of the Euro standard



Pollution and carbon footprint: understanding the challenges

The transport sector is regularly at the centre of debates and there is a great deal of confusion.

Yannig Renault, Technical Director, clarifies the subject

What are the different types of pollution generated by road transport ?

There are three main sources of pollution: noise, NOx (nitrogen oxide emissions) and fine particles. European standards on the fight against pollution are very strict. European regulations have helped to drastically reduce atmospheric pollution from road transport. Thus fine particle emissions have fallen by more than 99%. Today, the Euro 6 standard in force sets the upper limit for particles at 5 mg/km. The reduction of NOx emissions is also impressive, decreasing from 14.4 to 0.4 g/kWh, namely -97%. The noise emitted by delivery trucks fell by 5 dB, from 87 to 82 dB between 2009 and 2018. Yet, in people's minds, the idea still persists that trucks are a major source of pollution. In reality, subject to strict regulations, the road transport sector has become a pioneer in the fight against pollution. Standards have forced manufacturers to invest in research so as to produce less polluting vehicles and develop more environmentally-friendly energy sources. Heavy-goods vehicles on the roads must comply with homologation standards up

to a minimum of 700,000 km unlike cars for which, up until this year, the limit was the vehicle having passed a test that is completely disconnected from reality of use.

Also, in terms of volume, there is much less lorry traffic than car traffic, therefore, limiting it will, unfortunately, not solve the problem of air pollution.

What about the carbon footprint ?

The carbon footprint measures the volume of carbon dioxide (CO2) generated by each one of us. CO2 is not a polluting substance. Essential to organisms, it is not identified as a toxic gas, but as a greenhouse gas. Its emissions contribute to the destruction of the ozone layer and, consequently, to global warming. There are no regulations concerning CO2 emissions. The fight against greenhouse gas emissions is limited to fiscalism with a tax on petrol-based products (TICPE - Domestic Tax on Natural Gas Consumption) that is designed to discourage consumption.

How to contribute to reducing CO2 emissions ?

At DELANCHY we have always paid close attention to our consumption long before any talk about global warming. For us, economic and ecological concerns are on the same level. A vehicle that consumes 1 litre of diesel emits 2.6 kg of CO2. CO2 emissions can only be reduced by reducing consumption, there is no other way. Therefore, it is important for us to monitor our consumption and our speed. To that end, we have already introduced eco-driving. This practice has helped us to obtain some very good results. We are continuing our efforts in order to ensure that all our drivers apply these rules.

We are proud of the progress made on this subject. Bruno Charpentier, our trainer works with our drivers and we also raise awareness about this subject among agency managers. Our average consumption has been 27.911 /100 km since January. It is decreasing regularly.

Our trucks' speeds are limited to 90 km/h. Reducing this maximum speed would be effective for energy savings and emissions, but would endanger our transport plan. Today, our commercial speed on motorways is 82 km/h on average.

What difficulties do you encounter ?

Investing in clean trucks is costly. The depollution system in vehicles is similar to a reprocessing unit and comprises a gas modification unit and several filters. Running this equipment has a cost that has an effect on our charges and, breakdowns can immobilise us in the event of a failure.

Despite everything, whenever possible, we have decided to make headway in this field: for example, instead of contenting ourselves with buying vehicles that comply with Euro 5 standards, we decided to anticipate and buy Euro 5 EEV (Energy Efficient Vehicles) as soon as they were available on the market.

What about alternative energies ?

We are interested in all sorts of alternative energies. In particular, we believe that, in the future, hydrogen will allow us to equip our electric vehicles with a range extender. The electric vehicles that Renault Trucks will be selling at the end of 2019 will have an autonomy of 300 km. In the future, a fuel cell will allow us to produce electricity and the autonomy of trucks will exceed 500 km, thus we will be ensure regional transport using electric vehicles. We also support innovative initiatives. We buy biogas from a farmers' group, Agri-BioMethane, which has created a methanisation factory and a service station. At

La Rochesur-Yon for example, we deliver biomethane with biomethane.

How can technical developments contribute to this effort ?

Our vehicles working on long distances are all equipped with aerodynamic accessories, such as deflectors and fai-

rings which help to improve how they react in the air, as well as tyres with reduced rolling resistance. The definition of the mechanical structure must be adapted to the type of road and the load. But, it is the entire vehicle that should be the subject of on-going developments. Limiting pollution caused by an engine highlights other sources of pollution. Today, the percentage of particle emissions generated by an engine is minimal compared to that emitted by the brakes and the wear of tyres.

Are they any other ideas for improvements ?

There are many and it is necessary to explore all openings. Some of the recent innovations involve a system that would enable the vehicle to be adapted to the delivery zone and the journey to be made. Thus, whenever possible, we reserve diesel for long distances, use biogas for collection activities under 400 km and in polluted zones, and use electric in urban areas. Since this year, our transport plan integrates areas considered as sensitive in terms of their air quality. These areas are now delivered systematically by latest-generation vehicles that constitute 80% of our pool.

What about gas vehicles ?

Today, 22 of our vehicles run on gas. They emit less particles and NOx than diesel engines and are also less noisy. The next step is biogas, a recycled fuel not a fossil fuel. For this, we are relying on the development of methanisation plants (read the wide angle report devoted to the Mortagne plant page 32).

What lessons have been learned from the experiment in Lyon involving the use of an electric vehicle to deliver Lyon city centre ?

The technical results are very satisfactory. The project is driven by our cooperation with vehicle makers and is promising in terms of innovations and takes account of real operating conditions. Thus, a new generation of electric trucks produced from our work with Renault Trucks will be sold at the end of 2019. (see special focus page 34).

Mercedes too is launching an electric heavy-goods vehicle. By 2020/2025, our activities in urban areas will be implemented with electric trucks. These measures will require major efforts in terms of organisation and investment: the cost of an electric vehicle is four times that of a diesel vehicle! However, this solution offers savings on cost-in-use thanks to cheaper energy and the equipment's lifespan which is less subject to mechanical wear.

Experimentation

DELANCHY takes care of sensitive areas



► Guillaume Biotteau,
Director of the Lyon agency

Frigo Transports 69's operating area covers almost the entire Auvergne-Rhône-Alpes region, part of Burgundy, and Switzerland.

The Lyon agency is extremely interested in environmental issues and is aware that using heavy-goods vehicles in areas where the concentration of fine particles in the air can, for topographic reasons, can be a serious problem.

This is particularly the case in the Arve Valley that leads to Chamonix. The site is one of the most polluted areas of Europe. After receiving the first trucks meeting the Euro 6 standard that came into force on 1 January 2014, Frigo Transport 69 decided that each Euro 6 vehicle received would be allocated in priority to this sensitive area.

Here, the company is showing that it wants to limit the impact of its activity and stay one step ahead of legislation. The same applies when it delivers the Halles de Lyon – Paul Bocuse with its “100% electric zero

emission” Renault Trucks. This brand-new equipment that crosses the city every day does not go unnoticed. Filled with high-quality products, often developed in respect for nature, the carrier's customers are sensitive to the company's environmentally-friendly approach and local residents appreciate how quiet it is.

Today, cities are increasingly restricting the use of old cars. Grenoble and Annecy are planning to ban diesel trucks from their streets by 2020. But, DELANCHY has not waited for these directives to allocate gas-powered trucks to these towns.

Guillaume Biotteau, Director of the Lyon Agency, confirms that these changes have been widely accepted. For him, above all, it is a question of habit. He considers himself lucky because there are several gas stations near his agency.

The company is showing that it wants to limit the impact of its activity and stay one step ahead of legislation.



► Our customers are sensitive to the company's environmentally-friendly approach

Green gas : a pioneering commitment



► Damien Roy, farmer and director of AgriBioMethane and Guillaume Peraudeau, Director of the Frigo Transports 85 agency

By supplying itself with biogas from a group of farmers, DELANCHY is lending a helping hand to green initiatives. With this approach, the Group is reducing its spending and its CO2 emissions.

Passing daily through the prairies of Vendée, two heavy-goods vehicles discreetly indicate to other vehicles “I use green gas”. These two Scania P280 trucks are part of the DELANCHY Frigo Transports 85 agency fleet, located in Mortagnesur-Sèvre.

Two years ago, its director, Guillaume gave his word to Damien Roy, a farmer and manager of AgriBioMethane, that he would use a gas-powered truck. At the time, Damien had just started a study to evaluate the feasibility of his new project, the opening of a biomethane fuel (bioGNV) station.

Damien Roy is a well-known figure in Mortagne-sur-Sèvre. In 2014, he and his associates, also farmers, opened a biogas production unit that uses waste from animal breeding. Since then, thanks to the production injected into the GRDF natural gas network by this methanisation plant, the 2,100 households in this

municipality of Vendée heat themselves partly with biogas.

When AgriCarbur’ was created in October 2017, the initiative was widely hailed. It was inaugurated in the presence of the Minister for the Ecological and Inclusive Transition. “We are the first to deliver green fuel from agricultural methanisation”, declared its founder with pride. In order to collect the funds needed for the project, he benefited from the support of the banks, the ADEME (the French Energy for Environment and Energy Management), the Department and the Sydev (Departmental Syndicate for Energy and Installations of Vendée), the main stakeholder for renewable energies in Vendée.

Today, with a turnover of more than a million euros, this activity earns him more money than his 127 dairy cows. 18 months after responding to Damien Roy’s request, Guillaume Peraudeau is very satisfied with his



► The two 19-tonne vehicles that run on gas have an autonomy of 450 km

commitment. Initially slightly dubitative, today he has nothing to reproach this non-fossil fuel solution. Used for so-called collection and regional distribution trips that do not exceed 450 km, his two 19-tonne trucks that run on gas have enough autonomy. Also, the biogas station – that can supply up to eight trucks per hour – is right next to his agency. His drivers do not have any difficulty switching from one vehicle to another and they are refueled in the same way. Equipped with their AgriCarbur' badge which is used to pay for their consumption, they do not necessarily realise that using this type of fuel represents a 20% saving compared to diesel!

Guillaume Peraudeau is very aware of the fact. He is planning for the arrival of a third NGV in 2019 and is even planning to extend his vehicle pool.

At DELANCHY, we know that an engine running on biogas reduces CO2 emissions by about 90% compared to diesel. Attentive to his car-

bon footprint, the carrier is noticing that its ecological concerns are shared by its customers. They appreciate the reduction in noise pollution that the use of more silent vehicles implies.

Yet, in Mortagne-sur-Sèvre, Damien Roy is still uncertain about being able to ensure the long-term future of his green plant with the network of supply points remaining relatively undeveloped as well as the vehicle offering which suffers from being too costly despite the opportunities for additional depreciation. He is hoping that DELANCHY's pioneering commitment to his project will attract other freight carriers in the region.

AgriCarbur' is a pioneer in the distribution of green fuel.

The 100% electric vehicle: a year of tests and now?

Throughout 2018, a 100% electric prototype delivered the Halles de Lyon - Paul Bocuse in the frame of an experiment. A look back at this experiment that is still in progress, the practical conclusions, and, above all, the prospects for deployment.

The prototype tested in Lyons is a 13-tonne truck equipped with a 103kW electric engine and two packs of lithium-ion batteries offering about 140 km of autonomy. Tested for operations from January 2018 onwards, it completes two daily rounds between the DELANCHY Group's distribution platform in Corbas, the Lyon suburbs and the Halles de Lyon - Paul Bocuse in the city centre.

Many confirmations

The test has helped to confirm the many advantages of this type of engine. The absence of polluting emissions which, of course, constitutes a decisive advantage, but also the significant decrease in noise pollution for local residents, something that is a major challenge with delivery rounds scheduled very early in the morning. The health aspect is also to be taken in to account, in particular for staff assigned to unloading, with the Halles de Lyon - Paul Bocuse located in a confined environment on a basement level. Finally, the experiment was hailed unanimously by the professionals at Les Halles who see this new zero-emission solution as a transport method more in line with

the activity and positioning of the Halles de Lyon - Paul Bocuse.

Valuable lessons for the manufacturer

This test period was also decisive for the builder, Renault Trucks, which is selling a new electric range in 2019. Electromobility is now the pillar of Renault Trucks' energy strategy for sustainable urban transport. The zero-emission vehicle helps to preserve air quality, limits global warming, and also reduces congestion by allowing silent operations at staggered times. Since 2009, Renault Trucks has deployed major research and development resources on electromobility. The use of different types of 100% electric experimental vehicles in real-life conditions helps the builder to collect fundamental information about usage, battery behaviour, charging facilities, and the maintenance of electric trucks.

In this context, this original prototype has been the focus of much attention. It has to be said that the transport sector for ultra-fresh goods requires a refrigerated box that



► The 100% electric truck is a good solution for local deliveries

uses a great deal of energy, therefore, it was necessary to confirm the reliability of such a complex product (electrified refrigerated box powered entirely by the vehicle's traction batteries). Guillaume Biotteau, the Director of the Corbas platform, is satisfied with the experience: *“The vehicle is reliable, the drivers adapted very quickly, and it is a good solution for local deliveries. We have made a few remarks about the cold box that was slightly low”*. Another decisive challenge is finding the right balance in terms of battery power. This point is the most sensitive one owing to its costs in relation to the rest of the vehicle. Without going into the details of the technical review carried out by Renault Trucks, the partnership with DELANCHY has helped to refine several variants that will allow the manufacturer to launch and position a competitive range.

Sales are scheduled for the end of 2019

Already about 20 models will be produced in 2019 and Renault Trucks is announcing the launch of the complete range (several offers according to the activity and auto-

nomy requirements) by the end of the year.

It is the opportunity for DELANCHY to confirm its commitment to clean zero-emission energies by deploying this solution as quickly as possible!

« The vehicle is reliable, the drivers adapted very quickly »

Road safety

Road safety is a major challenge for public health and the protection of people. With more than 1,000 vehicles and a pool of 1,250 drivers, the company is a key player in road safety which concerns the organisation of the company as a whole.

Key to understanding

Drivers are a source of many CSR indicators: kilometres covered for an at-fault accident, average consumption, ECO-score, etc.



OUR INITIATIVES

1 Prevention unit for psychosocial risks and new addictions

Although the fight against traditional addictions is essential for road safety, the company also pays special attention to psychosocial risks as well as new addictions. Therefore, online games (a factor of stress and fatigue) are a particular focus of attention.

2 Risk analysis

Each profession (driver, administrative staff, handler, and workshop professions) are the subject of a specific risk analysis. The company has tools adapted to every situation (reflex sheets).

3 Commitment

The driver's charter has been completely reviewed and integrated into a professional manual distributed to all the drivers.

4 Feedback

All accidents, however serious, are subject to a written report. A register of minor accidents has been set up.

5 Training & tutoring

Every new driver is taken in hand by a tutor.

6 Targeted recruitment

Since 1996, the regulation-safety manager has been hired systematically from the police force. Thus Pascal Grandin, the regulation-safety manager and his assistant Sylvain Victorin-Savin are former captains of the Gendarmerie.

7 Centralisation of fines

All fines are centralised in one sole service and dealt with immediately.

8 Regulatory surveillance

The agencies rely on centralised regulatory surveillance which anticipates national or international regulations likely to have an effect on the company's business, as well as the application of standard practices (case law).

9 Procedures

All the company's procedures are focused on safety. Thus, it is forbidden to unhitch trailers (a source of accidents) (the transport plan includes this parameter).

10 Maintenance

Vehicle maintenance is a key safety factor. Almost all our agencies have their own workshop.

15
days

The tachograph is uploaded every 15 days (compared to the 90-day mandatory requirement) and, after two days for new drivers.

A new driver charter

Drivers are the first people our customers meet. They convey the Group's values and their role is essential. In order to support the evolution of the profession, the company has completely reviewed the manual which defines the rules they must comply with and completely overhauled the driver charter.

The profession's manual was completely redesigned this year, in particular with the inclusion and promotion of the CSR indicators on which the profession has an effect. It provides an indication of how radically the profession has changed as well as the scope of its influence on the company's performance. Thus, the company's digitalisation is covered by this document with the new PAD deployed on all the company's delivery rounds (read also *An app at the service of food and road safety: D'Livery*, page 42).

Although driving a heavy-goods vehicle remains their main activity, truck drivers are more than just drivers. They are professionals who have a complex profession with high added-value. Drivers perform certain administrative tasks and also have a commercial vocation. They may be in daily contact with stakeholders: customers upstream and downstream, the police, customs, and, of course, road users. They are the company's representatives.

«As soon as they start work great professio-

nalism is expected from drivers who must collect a number of documents, manage their Pads, control the state of their vehicle, check that they have the regulatory paperwork, ensure that the refrigerated unit is working and that the temperatures are adapted to the goods carried», explains Olivier Brunet, Assistant Human Resources Director, who coordinated the overhaul of the manual.

The checklist is similar to that of an airline pilot and the comparison is not all that off the mark since, on the road in the same way as in the air, lives are at stake and it is necessary, in the true sense of the term, to take and assume responsibilities.

This is the sense behind the new document that was distributed and presented this year «*Each step, from their start of service to their return to the agency, including behaviour on the road and during deliveries, is the subject of a series of recommendations which, when brought together constitutes the description of a complex profession that requires great professionalism*», explains Olivier Brunet. Two aspects of this docu-



► Drivers are professionals with a complex profession that has a high added-value

ment deserve to be highlighted. The wish to write the charter without having to use a scholarly and slightly stereotyped vision that might limit the attention actually paid to the content, and the promotion of CSR indicators on which the profession has an influence. Five indicators are presented: kilometres covered for an at-fault accident, repeat offender drivers, average consumption, ECO-score and number of labour-related accidents.

The presence of actual CSR indicators

The new charter anticipates changes in professions...

reflects the wish to ensure that the company's CSR approach is applied in the field. «In all areas, we want to adopt a pragmatic progress approach that takes account of reality», points out Olivier Brunet who also refers to a project to redesign Compulsory Periodic Training (FCO). This training aims

to update knowledge and skills for goods vehicle drivers (gross weight over 3.5 tonnes).

It aims to help drivers update their knowledge and corresponds to on-going training for drivers after their initial training. It has been compulsory in all European countries since 2003. In practice, this training is seen as a slightly indigestible «*compulsory procedure*» that does not ensure any real progress.

This observation has resulted in a project by the Human Resources department which wants to invent a FCO by DELANCHY that, whilst maintaining the same content, would deploy more programmes, methods, tools, and even an environment that is more dynamic. «*When training is compulsory, why not be creative in how you tackle the subject?*», concludes Olivier Brunet.

Food safety

Perishable food must be protected in a healthy environment and kept at the correct temperatures throughout the entire transport process. The aim is to guarantee the food safety of the products transported for our customers and their end consumers.

Key to understanding

The entire company is mobilised on this subject. Thus, according to the products transported, drivers are required to adapt the settings of the cold storage unit from 0 to 8° C.



OUR INITIATIVES

1 Validation of temperature thresholds

The quality service carries out various tests to validate the temperature thresholds outside of which a health risk might affect the goods. The idea in particular is to take account of the defrosting times required for the equipment's refrigeration cycle (between 30 and 45 minutes), estimate increases in temperature during these periods, and verify the impact on the conservation of the goods entrusted to us.

2 Validation of loading methods

Our in-time procedures require us to unload parcels at platforms, sort them, group them together by consignee, and then reload them in another vehicle within a very short period.

This process does not allow us to measure the temperature of each vehicle before the start of the loading operations. In order to guarantee the cold chain, we have carried out several tests to measure a vehicle's cooling time and develop an instruction for switching on cold storage units before loading. Compliance with this instruction guarantees compliance with the cold chain regardless of the outside temperature.

3 Promotion of the profession of cleaner

Cleaners are essential for our food product transport activity. Several actions have been carried out over a three-year period: redefinition of duties, integration and training, creation of a traceability tool, selection of cleaning products (in

association with the people concerned), choice of biodegradable products whenever possible (for cleaning platforms for example), design of a single product for cleaning and disinfecting the interior/exterior of vehicles.

4 Coordination of quality

In order to improve the coordination of quality and food safety at our agencies, for the past 4 years we have trained new quality advisers: HACCP* training, training of trainers, management training. The training sessions are constantly the subject of innovations that aim to make them attractive and effective (practical exercises in the field, photo orienteering, checks on the temperature of products, methods of placing on pallets, specific features of products, etc.).

* HACCP (Hazard Analysis Critical Control Point) is a method that allows significant dangers (biological, chemical, and physical) concerning food safety to be identified, evaluated, and controlled. It is not a standard.

5 Setting up of air curtains

In partnership with a supplier, we have developed a system of air curtains tested on several dock doors at our Chilly-Mazarin platforms. These fans help to limit the loss of cold air when opening multiple doors. The system has a dual impact: energy saving, control of the cold chain.



Compliance, food safety

Compliance rate for food safety

2018	2017
92 / 100	95 / 100

Compliant delivery rate

2018	2017
99,36 / 100	99,27 / 100

Centralised temperature monitoring

100%

of the sites are now equipped with an alarm reporting system. They benefit from centralised temperature monitoring associated with an email and SMS alarm report.

An app at the service of food and road safety : D'Livery

Since June 2018, DELANCHY has been offering D'Livery, an innovative service based on the real-time communication of delivery data.



This innovation is designed for drivers, operators, and customers. Its aim is to combine time-saving, improve road and food safety, and the reliability of data flows.

Helping drivers with their duties

DELANCHY has put 750 Android smartphones into circulation. Each one is allocated to a vehicle. These devices that resemble “Pads” designed to withstand being dropped, are equipped with D'Livery, a delivery tracking app.

In addition to the usual functions offered by a smartphone, the tool is a genuine assistant for the driver. It allows all the delivery information needed during the round to be displayed at any time. It is now this tool that is used by the driver to enter delivery information and it must be signed by the consignee. A truck GPS system that displays the state of traffic also guides drivers during their rounds, which facilitates the

integration of new drivers and helps to prevent errors in itineraries. Now, operations can track the route of its trucks in real time and know whether there has been an anomaly, which helps to avoid calls during rounds and allows the team to locate goods at any time. Thanks to this technology, drivers are able to do their rounds in complete peace of mind.

Better serving customers

For the moment, D'Livery is used for deliveries to customers and so-called traction trips between two agencies. Soon, the tool will also be used for “collection” trips, when picking up goods from suppliers.

An extranet service for customers is also now available.

When logging on to the portal, they can consult the estimated delivery time and access their receipt after the delivery has been made.

**Compliance with the cold chain**

From 2019, D'Livery will help to improve controls of the cold chain via smart temperature probes. Food safety is a key challenge for DELAN-CHY. Thanks to these smart probes, anomalies will be reported in real time and it will be possible to detect when a vehicle's doors are opened.

An ecological ambition

The use of D'Livery is also part of a paperless approach. It helps to reduce the use of paper.

The smart truck becomes a reality. The aim is to combine time-saving, increased road and food safety, and the reliability of data flows.

The “freshness kit”, an innovation at the heart of the fishery sector.

With a view to innovating for its customers, DELANCHY wanted to test in real conditions a process developed by a biotechnology researcher, Dr Larissa Balakireva.

A company attentive to scientific progress

Originally from Novossibirsk, Larissa Balakireva manages NovoCib, a start-up based in Lyon specialising in biotechnologies and the production of rare enzymes, which she created in 2005. Following many years of research, she developed an enzymatic process that enabled the freshness of fish to be measured on the basis of the levels of three nucleotides present in muscle: inosine monophosphate (IMP), inosine (Ino) and hypoxanthine (Hx). “When adding fish cooking juices and allowing for 30 minutes of incubation, it is possible to measure the deterioration of nucleotides in fish muscle”, explains Dr Balakireva. The dose of nucleotides allows freshness to be evaluated on a grid ranging from Extra to B (Extra, A+, A-, B).

Thanks to this system, it will now be possible to indicate the conservation period for fish and obtain a better

idea of the speed at which the product loses its taste and nutritional qualities.

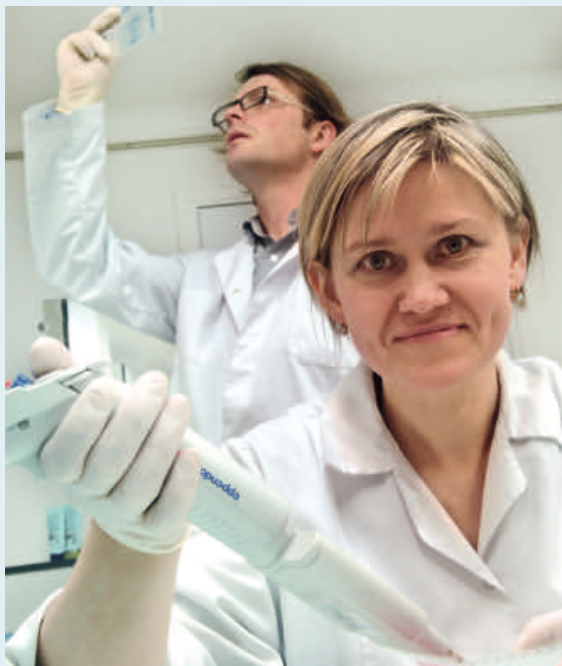
At present, the only way to evaluate the freshness of fish and detect any alteration is by sorting, an organoleptic method based on the skills of the person performing the inspection which only applies to whole fish. Consumption habits are moving towards more elaborate, pre-prepared products for which the freshness kit could be an interesting alternative.

In 2013, Larissa Balakireva had the opportunity to release her invention in laboratories. She benefitted from the support of the Aquimer competitiveness cluster in Boulogne-sur-Mer, the Plateforme d’innovations Nouvelles Vagues and the ANSES (French national sanitary, food, environment, and labour security agency). In 2017, when visiting the Sea-

food Expo, the show which, every year, brings together professionals from the seafood sector, she met Brigitte Delanchy who was “*very receptive*” to her project. She is still very surprised and hails the “*pioneering spirit*” of the Chief Executive Officer who invited her to her platforms to test her “freshness kit” in the field.

Anticipating the loss of freshness, a challenge that is now met

Won over by this innovative method, the transport and logistics company offered its customers the opportunity to discover it. Five of them were open to the experiment. Within the space of two weeks 80 samples were analysed. “*All of them contained extremely fresh fish!*” explains Isabelle Roussel. The Group’s Quality Director mobilised teams to manage the logistics aspect of the experiment and in order to select the correct sample, identify it and guarantee its traceability.



► Dr Larissa Balakireva has developed the “freshness kit”, supported by DELANCHY

Some customers wanted to compare the results of the freshness kit with those of inspection on identical samples. The results show the complementarity of the two methods, but also the great severity of the traditional method. “*With the freshness kit*”, we prevent fish that has been caught from being thrown away”, points out Dr Larissa Balakireva.

Supporting innovation and research

The reagents used by the freshness kit are not dangerous. They are easy to use and do not in any way require laboratory facilities. Yet, the analysis of the data cannot be improvised and requires a certain degree of technical skill. At present, the health authorities do not impose the use of this process. This service is part of the process that supports innovation that is so dear to DELANCHY. These tests under real-life conditions helped to confirm the interest of this revolutionary method and imagine potential applications.

Dr Larissa Balakireva highlights the precise and innovative character of the freshness kit.

DELANCHY deploys the back-to-work incubator

The 2017 CSR report presented an experiment called the “incubator”. Its aim was to meet a need to recruit new employees and favour training and a return to work by certain people who are unemployed, sometimes for too long. A successful experiment which has since been deployed at several sites and rolled out to new professions. A focus on our MIN agencies in Rungis.

Four years ago, DELANCHY decided to support a new incubator project to help with the recruitment and training of drivers and packers, a major investment for the Group and its agencies. In addition to recruiting well-trained candidates, the company wanted to nurture its own offspring.

The first experience was launched at its Copromer subsidiary in Boulogne-sur-Mer. In partnership with the Pôle Emploi employment agency, DELANCHY selected candidates on the basis of their skills, but also their results in French and maths tests and a simulation-based recruitment method, in order to train them in the profession of order packer.

Since then, more than 30 job seekers have followed this 8-month course following which they obtained a Certificate of Professional Qualification and benefited from

the supervision of a tutor before joining the company with a permanent contract.

On the strength of the success of this measure, DELANCHY undertook to repeat the experience at other sites and adapt it to the profession of driver. In April 2018, an incubator for order packers was launched in the Paris region. It is backed by three agencies, Fargier by Delanchy, Prestations de Services 94 and Frigo Transports 94, all located within the perimeter of the International market in Rungis. In September last year, a first incubator for drivers was set up jointly by two of them: Frigo Transports 94 and Fargier by DELANCHY.

While the packers are trained in partnership with Aftral, Forget, a partner of DELANCHY for the FCO, ensures the theoretical part of the drivers’ session. It is they that pre-selected the candidates on the basis of their test results before sending

their applications to DELANCHY which interviewed them. Eight were selected. “It’s a good class”, explains Hafid Lahyani, the Director of the Fargier by Delanchy agency.

After the Christmas period, six of them obtained their class C driving licence which allows them to drive a heavy-goods vehicle, and they are now preparing to sit their APS (Prevention Security Officer) exam before taking some well-deserved holidays after a very intense term!

The 24 year-old Mohamed El Khaedim had 22 months of experience as a night time forklift driver. In regular contact with drivers, he became interested in the profession and declared his desire to sit his HGV licence. Dedicated to his occupational retraining project, he paid a visit to Forget which immediately advised him to contact the DELANCHY incuba-



tor. Mohamed El Khaedim is now determined and enthusiastic. He can see himself progressing in the company where he hopes to be promoted.

The 31 year-old Aymar Kondzima M Bowe, spent seven years working in the fast food trade as a temp. During this time, he became inte-

DELANCHY.

“You can feel that they are impatient to get into the field”, explains Hafid Lahyani. However, they have had to wait until April 2019 because, before getting behind the wheel, they have to spend four months working as order packers in order to understand the work involved at the dock.

Mobilised 35 hours a week, the trainees already follow the pace of the company

rested in the world of transport. He always wondered where the goods delivered came from and who transported them. He immediately signed up for the written and oral tests that would allow him to join the Incubator.

Today, he hopes to be the best he can at his profession and climb the career ladder at

This step is necessary for them to discover the company, familiarise themselves with its codes and get to know its newly qualified packers, six men who obtained the professional title of *“Warehouse order packer”*.

FOLLOW-UP



► Order packers (here the tutor Xavier Varru with Nicolas Salvadori)

Among them, the 24-year-old Kevin Gaboret, who had spent four years working in the fast food trade. During a period of unemployment, he discovered the Packer incubator via Pôle Emploi. Before his first encounter with the profession, he didn't realise how physically demanding it was. His goal is to become a dock manager and, why not, maybe even a driver one day.

Mobilised 35 hours a week, the trainees already follow the pace of the company during this training contract. The profiles of the seven candidates for the level 5 vocational qualification of "Road transport driver of goods for carriers" are varied, but most of them are between 20 and 30 years although there are some exceptions.

The 51-year-old Alfredo Nsamu is by far the oldest on the course! It is a brave move for someone who had

worked as a handler in the Netherlands for 22 years before starting this course where he is learning the latest technologies. Pallet trucks are now equipped with screens and the profession has been computerised which requires learning. What Alfredo Nsamu likes most of all is the hectic atmosphere at the dock with its constant movement. *"I like it when it's busy"* explains this 50-year old who has never found himself with time on his hands since he joined DELANCHY.

He hails the company's integration efforts for new arrivals and can no longer see himself working anywhere else.

Guided by a wish to generate loyalty among employees, limit turnover and the use of temp workers, Hafid Lahyani devotes a great deal of energy to his "incubees". He is interested in the long-term and wants to promote these *"admirable professions"*. *"I really believe in it"*, he declares in reference to the incubator system. He joined Fargier 20 years ago as an intern and then as a student on a work experience programme while he was a student at Évry University.

Many of his current colleagues joined the company via a work placement, apprenticeship or work experience programme and several have pro-

Supervising and accompanying future employees requires a major investment



►The driver, Aymar Kondzima M Bowe getting to grips with the D'Livery app (here with his tutor)

gressed and have quickly become tutors.

Many of his current colleagues joined the company via a work placement, apprenticeship or work experience programme and several have progressed and have quickly become tutors.

Thus, the 26 year-old Xavier Varru has been a receiving clerk-controller since September after joining DELANCHY as an order packer in January 2015. Last year, he decided to become a tutor and to take a young “incubee” under his wing. He followed a two-day training course with six other aspiring tutors before taking over his new responsibility. He is now in charge of Nicolas Salvadori, a few years his junior, and will pass on his know-how to him. *“Above all, it was a wish to pass on the profession and its practices that convinced*

me to accept the role of tutor”. Xavier Varru finds this role gratifying and fulfilling. He is already willing to train another newcomer for the next course.

The next Drivers Incubator should include employees that are currently order packers. DELANCHY wants to be open to its staff and their desire to progress from one profession to another. Supervising and accompanying future employees requires great investment as much in human terms as financial terms. These initiatives also involve an investment in terms of communication because you have to make them known!

Today, the agency has 23 apprentices or trainees. The latter represents more than 10% of the 180 employees!

An “exemplary” new transport and logistics agency in Mayenne!

In order to cope with its development, the Frigo Transports 53 platform (Mayenne) had to double its surface area. It provided the opportunity for the company to commit to the “ideal platform” approach.

In case you have forgotten, this project aims to encourage experimentation and dissemination at the level of platforms through examples of good practices that range from the consumption of resources and their optimisation to the prevention of natural and noise pollution, including the well-being and working conditions of employees.

A detailed review of the experiments in progress at the DELANCHY platforms designed to be deployed at all the platforms has been made official and a progress framework has been adopted. It follows the recommendations of the “reference framework for high environmental quality” charter (see opposite).

The notion of ideal platform is a pro-active notion especially since each project has its own specific features. But, in concrete terms, the

investments made bear witness to the ambition to make this site a reference in the company :

- new-generation refrigerated unit (reduction of greenhouse gases),
- rainwater collection system,
- processing of waste water,
- LED indoor and outdoor lighting,
- office heating system that uses calories collected from the refrigerated units.

This latter provision means that the site is independent in terms of heating.

However, the company has decided

to use this project to go even further and has started to produce green electricity by covering canopies with photovoltaic panels. This project was made possible thanks to the partnership with EDF ENR which led the project on technological aspects so as to ensure the yield and longevity of the installation.

No less than 20% of the site’s energy needs will be covered by this carbon-free energy.

The investments made bear witness to the ambition to make this site a reference in the company



► 20 % of the site's energy needs will be covered by carbon-free energy production

The reference framework for high environmental quality covers the following themes :

- the relationship between the building and its immediate environment
- the choice of construction products, systems and procedures,
- a building site with a low environmental impact,
- energy management,
- water management,
- the management of waste associated with the activity,
- the maintenance and upkeep of the facilities,
- hydrothermal comfort,
- acoustic comfort,
- visual comfort,
- olfactory comfort,
- the quality of the spaces,
- the sanitary quality of the air,
- the sanitary quality of the water.

Methodology, approach and indicators

Social, societal and environmental reporting concerns the year ending 31 December 2018.

It was carried out in several phases :

- a survey phase to identify and collect content,
- a consultation phase for the Management Team to identify the challenges,
- a resource person and adviser allocation phase by subject,
- a phase formulating the challenges and corresponding initiatives which led to the production of a cartography, this year the Carbon footprint challenge was renamed Ecological footprint to cover the content considered with greater precision,
- a phase involving the development of indicators,
- a phase involving the collection of indicators

The cartography lists the environmental, social and societal impacts which are deemed significant for the company's ability to achieve its responsible performance goals.

It structures and guides:

- the approach itself (temporality),
- the major themes (action),
- the choice of indicators (reporting).

It was the GRI (Global Reporting Initiative) reporting principles that inspired this work. According to the terms of the GRI, our position is based on the notion that "the organisation publishes the information taken from the guidelines, but does not meet all the requirements". This is the case in particular of the involvement of stakeholders, an area in which the GRI recommends:

- performing identification work (according to the relevant challenges),
- defining a framework for dialogue,
- associating stakeholders in the actual process and the reporting.

This work is carried out in particular among customers, staff, and public authorities (forces of order in particular) at most of our sites, but it has to be extended, made official and, above all made viable in a recurring framework. One principle, relevance, was the subject of detailed work by the Management Team in order to ensure that the report highlights the aspects that reflect the organisation's substantial economic, environmental, and social impacts.

It is this work that structured the contents of this report and, in particular, the decision to give greater room to subjects deemed to be relevant and a priority for the stakeholders as well as for the company : **ecological footprint, food safety, road safety.**

It is also this work that helped to prioritise the development of certain specific indicators such as the composition of the vehicle pool and its evolution, and indicators on health safety (see further on).

With regard to the survey phase for identifying and collecting content

This phase involved:

- in-depth interviews based on the CSR spectrum (social, societal, and environmental aspects),
- a comparative study of reporting practices in the profession,
- a study of requests by the main key clients (CSR questionnaire).

With regard to the appointment of resource people and advisers by subject

Each theme was placed under the responsibility of a reference person in charge of proposing and defining indicators in relation to their relevance and the availability of data. Each one will be required to integrate them into the existing collection of procedures thus ensuring the availability of the data.

About the formulation of relevant challenges

The arguments retained in order to determine the relevant challenges were as follows:

- the subject is key for our customers,
- the subject is largely present in the public debate,
- the company is asked about the subject.

About the development of indicators

Most of the indicators retained are present in the GRI reference framework as well as in the European Directive on extra-financial information. Several indicators specific to the company's professional universe were created or adapted in order to guarantee the relevance of the information delivered:

→ *In terms of road safety*
Number of at-fault accidents (in relation to the number of kilometres covered)

→ *In terms of carbon footprint*

Beneficiaries of the eco-driving training.

Average ECO-score

Average consumption of tractors

Composition of the vehicle pool

→ *In terms of food safety*

Food safety compliance rate
Compliant delivery rate

Several indicators were deemed not to be of interest because, in the field, the company complies with the regulations. This year, one indicator (number of audits/site) was removed because it was deemed irrelevant (100% of the sites are audited at least once a year).

One global project "The ideal platform" was initiated by the CSR approach

Sites representing major challenges on social, societal, and environmental levels, the platforms are also an incredible field of action that favour the experimentation and dissemination of good practices from the consumption of resources and their optimisation to the prevention of natural and noise pollution, not to mention the well-being and working conditions of employees.

Each initiative will benefit from a status on the basis of the following stages:

- project formulation stage,
- experimentation stage engaged,
- deployment stage engaged (% of platforms),
- deployment stage completed (100% of platforms).

Lines of progress

This report can be perfected. Although some aspects have been furthered, such as the work on the relevance of the challenges in view of the activity, others constitute work in progress.

Acquiring objectives over time

The structure of the report's presentation is based on the **impacts-initiatives-indicators** logic. This structure could be completed by the notion of specific objectives over time.

Complete the range of indicators and build a presentation of indicators related to substantial challenges

Many indicators still need to be developed (Identification / Development / Organisation of collection).

Priority will be given to indicators concerning substantial challenges.

Social indicators

WORKFORCE

2018

3 187

2017

3 122

Comment: fixed-term + permanent contracts as at 31/12/2018 + average temp workforce

BREAKDOWN BY GENDER



2018

376

2017

359



2018

2 517

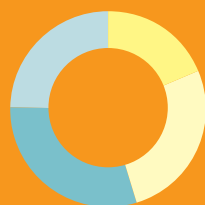
2017

2 529

Comment: fixed-term + permanent contracts as at 31/12/2018 (excluding temps)

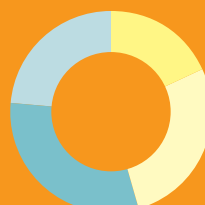
BREAKDOWN BY AGE

2018



- < 30 years : 19,4 %
- 30 à 39 years : 25,1 %
- 40 à 49 years : 30 %
- > 49 years : 25,5 %

2017



- < 30 years: 18,7 %
- 30 à 39 years : 26,7 %
- 40 à 49 years : 30,1 %
- > 49 years : 24,5 %

EMPLOYMENT

Recruitments and dismissals



IN 2018
Recruitments

910

Dismissals

95

IN 2017
Recruitments

885

Dismissals

78

Comment : Recruitments : fixed-term + permanent contracts. Dismissals : disciplinary + inaptitude

Absenteeism

IN 2018

6,7 %

IN 2017

7,3 %

Comment : Significant improvement. Number of days of absence (labour-related accidents and unjustified absences)/number of days worked

Length of service



IN 2018

9 years and 2 months
All staff

8 years and 3 months
Workers/Employees

11 years and 11 months
Supervisors

13 years and 10 months
Executives

IN 2017

9 years and 4 months
All staff

8 years and 1 month
Workers/Employees

13 years and 8 months
Supervisors

12 years and 10 months
Executives

HEALTH AND SAFETY

Accidents

2018	2017
329	319

TRAINING

Eco-driving beneficiaries (drivers)

2018	2017
86	97

Comment:

In 2019, we are refocusing our organisation in order to increase eco-driving training. Objective: 180 drivers trained during the year.

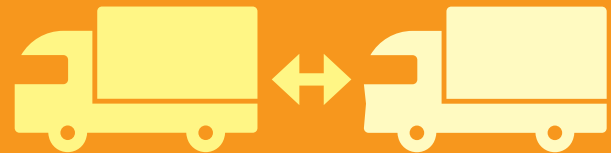
ECO-score

END 2018	END 2017
8,01 / 10	7,78 / 10

Qualitative aspect

The company adopted the ECO-score* (Optifleet software) to improve the average consumption of its vehicles.

*Good: ≥ 8 / Could be improved: $6 <-> 7.9$ / Low: < 6



FUNDING FOR TRAINING

2018	2017
1 389 778 €	1 402 875 €

Qualitative aspect

Budget integrating the entire training effort (funding, CPF, FPSPP, CIF), excluding day release contracts.

DETAIL OF THE TRAINING PLAN

IN 2018



Number of hours
28 711



Number of trainees
1 449



Number of sessions
437

IN 2017



Number of hours
19 279



Number of trainees
1 142



Number of sessions
261

Comment:

The number of hours for 2018 is linked in particular to an increase in training for drivers.

Social indicators

EMPLOYMENT

Support for employment, Day release

Vocational training and apprenticeship contract

IN 2018

92

IN 2017

57

Comment:
Corresponds to the number of day release contracts signed in the year.



Employment and integration of the disabled



IN 2018

Percentage of disabled workers
4,43 %

Recruitment of workers recognised as disabled workers
10

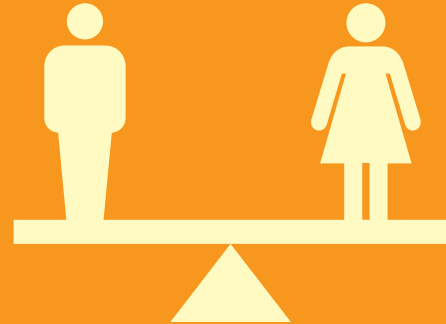
IN 2017

Percentage of disabled workers
3,39 %

Recruitment of workers recognised as disabled workers
10

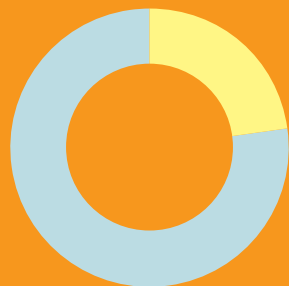
Gender equality

With male and female work being highly categorised, the setting up of an indicator would not be very relevant. Whatever the position occupied, the company applies a strict equal remuneration policy.



EMPLOYMENT OF SENIORS

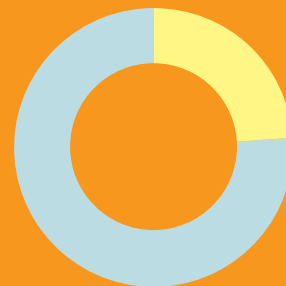
2018



Percentage of access to training by seniors

23 %

2017



Percentage of access to training by seniors

24 %

Comment: Persons over 50 years

Societal indicators

ROAD SAFETY

Repeat offender drivers



END 2018

19

Out of the 19 employees concerned, 7 are temps, 5 were recruited less than a year ago, and 4 are drivers on permanent contracts in position for more than a year.

END 2017

7

Km to cover for 1 at-fault accident

2018

420 186

Km

2017

469 800

Km

Deterioration related to difficulties with the recruitment and employment of temporary contract drivers.

CONSUMER HEALTH AND SAFETY

Compliance and food safety



Compliance rate for food safety

2018

92 %

2017

95 %

Qualitative elements

The compliance rate for food safety is calculated in relation to the evaluations carried out by the DDPP at the different sites. According to the evaluation, the results are presented in the following manner: Very satisfactory: 100%, Satisfactory 66%, To be improved: 33%, Not satisfactory: 0%. The results have been freely available on the Internet since 01/03/2017.

The slight decline in the indicator concerns two sites where corrective actions are underway.

Compliant delivery rate

2018

99,36 %

2017

99,27 %

Environmental indicators

Average consumption of tractors source Optifleet



END 2018	END 2017
27,98 l	28,10 l
/ 100	/ 100

We registered a strong decrease between 2015 and 2017 (0.75 l in 3 years). In 2018, the decrease continued but is less pronounced.

Our ECO-score

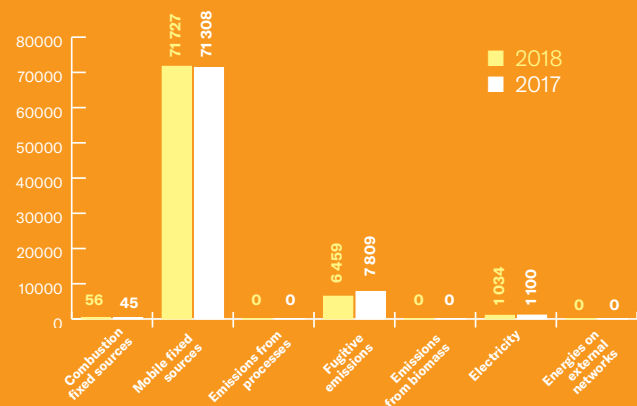
2018	2017
8,01	7,78

Qualitative element

The company adopted the ECO-score* (Optifleet software) to improve the average consumption of its vehicles.

* Good: ≥ 8 / Could be improved: 6 <-> 7.9 / Low: < 6

Emissions by item (tonnes eq. CO2)



Comment :

The decrease in the average consumption of vehicles is the main vector of progress (significant decrease in CO2 emission per km covered), as well as the efforts made on the renovation of refrigerated facilities (significant decrease in fugitive emission from this year).

CO2 emissions per km covered

1st half-year 2018	1st half-year 2017
0,749 g/km	0,750 g/km
2nd half-year 2018	2nd half-year 2017
0,727 g/km	0,739 g/km

Source: The entire HGV pool whether owned or long-term rentals.

Composition of the vehicle pool

AS AT 31/12/2018

Euro 5 : 11,53 %



Euro 6 : 88,47 %



2017

Euro 5 : 33,72 %



Euro 6 : 65,79 %



Euro 3 and Euro 4 vehicles have been removed from the vehicle pool (excluding private vehicles and long-term rentals).

Electric consumption of refrigerated surfaces



END 2018

83
kWh/m³

END 2017

82
kWh/m³

END 2016

91
kWh/m³

A significant decrease can be seen between 2016 and 2017 due to investments in a few energy-intensive cold units.

The increase between 2017 and 2018 is a result of a climate phenomenon. 2018 was particularly hot and the cold units were used more than usual to keep our platforms cool.

Provision and guarantees for environmental risks

CIVIL LIABILITY

1 120 000 €

EVENT

100 000 000 €

On consequential damages insurer warranty.



Processing of waste from hygiene installations

IN 2018

Hydrocarbon sludge
85,440 t

Non-hydrocarbon sludge
3,030 t

Hydrocarbon sludge-water
35,140 t

Hydrocarbon liquid
172,590 t

Faecal sludge
20,660 t

Dredging sand
8,500 t

IN 2017

Hydrocarbon sludge
106,340 t

Non-hydrocarbon sludge
2,940 t

Hydrocarbon sludge-water
28,020 t

Hydrocarbon liquid
158,640 t

Faecal sludge
13,000 t

Dredging sand
6,300 t

Qualitative elements

In order to avoid any risk of emission, maintenance is planned at least once every half-year (certain facilities require maintenance every quarter).

Acknowledgements

Thanks to all those who have worked to produce this document:

Grégory AMBROSIO
Benoit BEAUFILS
Christophe BERNARD
Damien BRETAULT
Olivier BRUNET
Keveren LE CORRE
Brigitte DELANCHY
Frédéric DELANCHY
Anne GAGEY
Pascal GRANDIN
Hubert LE BLON
Michel LE TALLEC
Nicolas MUET
Sébastien PECQUEUX
Yanning RENAULT
Isabelle ROUSSEL
Rose-Marie TRAVERS
Emmanuel VIOLLE

Thanks also to our agency directors, our staff and all those who joined us this year.





Production:
Histoire de Comprendre
May 2019

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Sylvain MALMOUCHE - Regards Photographe
Jean-Jacques RAYNAL
Pierrick CONTIN

