

HIGHLIGHTS

2020/2021

STEF, ESSENTIAL JOBS **P.11**

**INNOVATING
FOR CUSTOMERS
AND TEAMS** **P.18**

COMMITTED TO
PEOPLE **P.26**

BUILDING AN EVEN MORE
ETHICAL SUPPLY CHAIN **P.34**

STEF 



CONTENTS

Interview with the Chairman & Chief Executive Officer	P. 02
Presentation of the Group	P. 06
Our purpose	P. 08



LOOKING BACK ON 2020	P.10
Our teams talk about their year	



OVERVIEW	P.16
Innovating for customers and teams	P. 18
Committed to people	P. 26
Building an even more ethical supply chain	P. 34
La Méridionale	P. 42
Thinking the future!	P. 43

EDITORIAL

OBVIOUSLY, 2020 WAS A YEAR UNLIKE ANY OTHER. IT WAS OUTSTANDING FOR THE STEF GROUP, IT HIGHLIGHTED THE MEANING OF OUR JOBS, CONFIRMED OUR INTUITIONS AND STRENGTHENED OUR CONVICTIONS. IT VALIDATED OUR PURPOSE.

THIS IS REFLECTED IN THIS NEW LOOK HIGHLIGHTS; LIKE A YEARBOOK, IT LOOKS BACK ON 2020 AS WE EXPERIENCED IT, ITS DIFFICULTIES BUT ALSO ITS SATISFACTIONS AND SOMETIMES ITS SUCCESSES... AND IT LAUNCHES US INTO 2021. HAPPY READING EVERYONE!

THANK YOU EVERYONE FOR YOUR COMMITMENT

TOGETHER, WE GUARANTEE ACCESS TO
FOOD PRODUCTS EVERY DAY



STEF 



CONTINUING TO INVEST TO BUILD THE FUTURE!

Stanislas Lemor, Chairman & Chief Executive Officer of the STEF Group

2020 was an unusual year in many respects. What did you take away from it?

Firstly, the exceptional way in which all our employees came together to carry out the Group's primary mission during the health crisis. Thanks to their unfailing commitment, supplies were maintained to populations throughout Europe, without any disruption in the logistics chain. This is a source of great pride for us all. I would like to pay a heartfelt tribute to the Group's employees for their ability to adapt, their professionalism and their commitment which has enabled us to deal with an unprecedented crisis. In addition to that, some of our jobs that were unfamiliar to and often overlooked by the general public have become more visible due to the crisis, revealing how essential they are. Our drivers were applauded when they delivered during the first periods of lockdown in March 2020.

The Group's mission, to guarantee that all European consumers can access a range of safe and enjoyable food, has become clearer than ever.

And economically?

2020 was a mixed year with the first six months severely affected by the strict lockdown periods across Europe and their consequences on the deregulation of the flow of goods. The Group quickly adapted by setting up a cost adjustment programme and altering transport schemes, leading to a clear recovery in results in the second half-year.

Throughout the year, STEF's results were negatively affected by the health crisis; turnover fell by 8.6% and operating profit was down 28.2%. However, the Group has been resilient due to its solid foundations and its ability to adapt. In order to deal with the crisis, as a socially responsible corporate citizen, we have had to make bold choices; we paid a solidarity bonus to our field staff and have not applied for any State-guaranteed loans or deferral of charges. We also continued to invest to prepare for the future, despite the difficult times that we were experiencing.

■ ■ ■

At the end of 2020, you finalised a major project that consolidates STEF's presence in Europe. Can you tell us more about it?

We have strengthened our European network through a comprehensive agreement with the German group Nagel which opens up new opportunities for our customers to Germany and eastern and northern Europe. This partnership was built in two phases: we became shareholders in their joint venture in France in January then, at the end of the year, signed an agreement to take over their operations in Italy, Belgium and the Netherlands. We also signed reciprocal distribution agreements which now enable us to offer optimal European coverage while consolidating our international consignments business. This is an important step in our development strategy in Europe.

“During this exceptional year, we have constantly prepared for the future by consolidating our positions in Europe and developing our expertise on growth segments.”

Brexit seems to have disrupted many businesses. Is this the case for STEF?

It is still a little too early to say because flows remained low at the start of 2021. We had anticipated and set up a dedicated organisation to support our customers with the many administrative formalities. A number of our customers, recognising our technical expertise in this area, turned to us as soon as the flow management began to become more complex. However, we remain alert because only the coming months will show whether the arrangements made have been proportionate.

This year, STEF increased its “geographic footprint”, but decided to reduce its “carbon footprint”...

Indeed. This is a subject that is very close to my heart, and on which our employees and external stakeholders expect strong commitments. This awareness is not new within the Group, it has existed since its inception. As a

consolidation specialist, the Group has long provided “public transport” for food products. For over 15 years, we have been committed to reducing CO₂ and greenhouse gas emissions.

Today, we have to go even further. With the support of the Board of Directors, we have decided to act, drastically and collectively, to reduce STEF's environmental footprint by making two major commitments: to reduce the CO₂ emissions of our vehicles by 30% by 2030 and to use 100% low-carbon energy for our buildings by 2025. Few transport groups can currently boast such ambitions in the structuring of their climate policy. This new dynamic, launched for the next 10 years, is based on an action plan which is currently being deployed across pilot entities in France, Portugal and Italy. We will use those innovations and experiments to validate our actions so we can extend them to all our countries in 2022.

Last year we spoke of digital transformation and innovation. What progress have you made in these areas?

Our digital transformation strategy, like our innovation policy in general, aims to enhance the service we offer to our customers while enabling us to improve our processes through a better use of data. Some projects may have slowed because of the crisis, but overall we have remained on course. In our operations transporting chilled products, we have accelerated the digitalisation of the customer relationship by deploying a new digital portal in Europe. For our customers, this means real-time tracking of their shipments, advanced performance indicators and additional services. In the field of innovation, we have set up an employee platform designed to share local initiatives and unleash energies. We also want to integrate start-ups into our ecosystem. Consequently, the Group is involved in a

very exciting project to optimise its transport network and improve its environmental footprint using artificial intelligence.

Consumption habits have been changing for several years and the health crisis has accelerated certain trends. What is the impact of this on STEF's organisation and its operations?

The health crisis has acted as a catalyst and accelerated the adoption of trends already observed. The most notable change is undoubtedly the strong growth in food e-commerce; before the pandemic it represented 5% of the food consumption market, rising to 10% at the peak of the crisis. It has now stabilised at around 8% to 9%. Omnichannel has become the norm for consumers who make multiple purchases, sometimes involving home delivery. Once things have returned to normal, the question will be where the indicator will settle and under what conditions. We must not forget that the equation is currently distorted because consumers are not paying the actual price of the home delivery of products and are not fully considering its environmental effects. Today, the online food shopping market mostly takes the form of drive-in services (almost 90% of the total) while home delivery represents a minimal share of food e-commerce. Although we believe that current models are not yet mature and that the last mile issue

presents a real dilemma since it means reconciling frequency, geographic coverage and temperature, the growth prospects of this segment are significant. We have therefore decided to make this market a priority target and we are currently working on a suitable offer, combining all the components of temperature-controlled food e-commerce logistics.

The situation at the start of 2021 is still marked by the Covid-19 crisis. What do you think are the prospects?

The uncertainties related to the health situation and its economic repercussions should prompt caution in terms of forecasts. Nevertheless, I am convinced that the crisis is an opportunity to speed up our organisation's transformation. During this exceptional year, we have constantly prepared for the future by consolidating our positions in Europe and developing our expertise on growth segments. We have also increased our ambitions for a more ethical environmental footprint. Finally, we have done our utmost to preserve our culture of transparency and dialogue with our teams. These different elements lead us to believe that our Group will have the resources to recover quickly. STEF has many assets with which to face the challenges ahead!

STEF, A “PURE PLAYER” IN THE FOOD SUPPLY CHAIN

In a world where consumption habits and distribution channels are changing rapidly, the supply chain is a key factor in companies' competitiveness.

A partner in its customers' development, STEF offers transport, logistics and industrial packaging solutions for temperature-controlled food products (-25°C to +15°C) adapted to each of their specific needs. It does so with one unique ambition: to provide them with the best quality service and help them to optimise the economic, operational and environmental performance of their supply chain.



The Group also has a maritime division with its subsidiary La Méridionale which transports passengers and freight between Corsica and the continent under a public service concession.

In 2020, it expanded its operations with the opening of a freight and passenger service between Marseille and Tangier.

KEY FIGURES

Consolidated turnover

€ **3,145** M

Consolidated income (Group share)

€ **73** M

19,000
employees

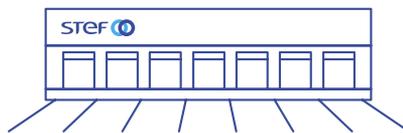


7
European countries

France
Italy
Spain
Portugal
Belgium
The Netherlands
Switzerland

Over **10,000** customers

Over **100,000** deliveries per day



246 multi-temperature sites
(platforms and warehouses)
of which **174** in France and
72 in other countries

Refrigerated quay area

525,000 m²

Storage volume

9,850,000 m³

2,340 own vehicles
out of a total of **4,000** vehicles



4

ro-ro mixed passenger and cargo vessels



Launched in 1920 with the purpose of supplying people with food products, our history is intrinsically linked to that of changes in food consumption behaviours and the transformation of distribution channels. To celebrate our centenary, the Group wanted to put into words what has driven its teams since the beginning of our entrepreneurial and human adventure.

Our purpose is the expression of a strong conviction, about the specific and differentiating way in which we see our business and want to practice it. It is a barometer for all employees and shows, beyond words, the reality of our daily commitment to serve our customers and our desire to act, not only to ensure the Group's sustainability but also that of the world around it.

OUR MANIFESTO

We are STEF and since 1920 we have had one essential purpose: to guarantee food supplies to millions of Europeans.

At the heart of the food chain, we store, package and transport the foods that you see on your plates every day.

We work hand in hand with producers, retailers and restaurant managers so that millions of consumers can make

their food reflect their commitments and desires.

We serve our customers with enthusiasm, respect, discipline and performance. We are proud to support their growth, to help them conquer new territories and meet the challenge of innovation.

With them, we are inventing the supply chain of the future, even more reliable, connected and environmentally-friendly.

And so that future generations can always have a choice of diet, we have decided to act. Every day, we try to chart a more ethical path for our activities and our sector because we believe that it is our responsibility to commit to make a difference.

Offering everyone the freedom to eat what they like in complete confidence, that's what has driven us for over 100 years.



LOOKING BACK ON 2020

RECOGNISED AS “**ESSENTIAL**”, STEF’S JOBS HAVE MOVED
OUT OF THE SHADOWS AND INTO THE SPOTLIGHT.

The Covid-19 pandemic resulted in the lockdown of large swathes of the global population and paralysed economies worldwide. Faced with this unprecedented situation, the agrifood sector has adapted, avoiding large scale shortages. An essential link in the temperature-controlled logistics chain, STEF endeavoured to ensure the continuity of supplies in a difficult climate, equally volatile and unpredictable. Our teams have demonstrated their responsiveness and unwavering commitment.

We are proud of them.

Testimonials...



Rachid DGHOUGHI
**STEF DRIVER SINCE 2008 AND
DRIVER TRAINER SINCE 2019
ON THE STEF METZ SITE**

"When I got up in the morning when everyone was in lockdown, I admit that I was a bit worried. But I told myself that thanks to my work, people would be able to do their shopping in the stores. We were all dealing a bit with the unknown. Our advantage was that we were already well acquainted with the health and safety rules related to the transport of food products. We quickly adopted the new social distancing measures. We also took additional measures such as the complete disinfection of the lorries.

What I like about my job is the contact, with colleagues in the warehouses, with store managers... I know that I am a bit of an ambassador for STEF with our customers. The kindness of their welcome and their encouraging smile when I was delivering during lockdown, the supportive headlamp flashes on the road, all these little signs warmed my heart. I felt that my job was valued and finally recognised!"





Eleonora ISOPPI
**OPERATIONS MANAGER
OF THE STEF TAVAZZANO
PLATFORM** (ITALY)

“In early 2020, Covid-19 seemed like a faraway event to us. Then suddenly, the pandemic was with us too. The Group’s reaction was immediate: the creation of a crisis committee, temperature checks on entry, social distancing, signage, personal protective equipment, remote working where possible... All these measures enabled us to ensure continuity of service for our customers. What stood out for me was that in the most difficult situations and at the height of the operational peak, all the teams gave their best. The collaboration with our customers was incredible. I still keep their emails thanking us warmly after the first lockdown. But what I am particularly proud of, is that everyone has now understood the importance of our jobs. I am sure that this recognition has helped us to deal with this unprecedented health crisis successfully and together.”



Papa-Djibril DIEYE

OPERATIONS MANAGER ON THE STEF AULNAY-SUR-BOIS SITE

“At the start of the pandemic, the anxiety was palpable. My first concern was to reassure my team, to pass on all the information from Management who did what was needed to find masks and hand sanitiser at a time when these were in short supply. The challenge for me was to fulfil our commitments to our customers, especially since order volumes were particularly high. We also supported the teams who arrived as reinforcements on site, reorganised the activity while implementing social distancing measures, constantly adjusted the schedules with just 2 or 3 days visibility... It was slightly complicated! The solidarity bonus paid to employees was seen as real recognition of the efforts made. But, what struck and touched me was the solidarity within the Group, the care taken to maintain the close links between us.

The second six months was just as busy! I became Operations Manager as part of the “Devenir” course with several teams to manage instead of just one, a direct relationship with the site’s management committee and ever more complex schedules because of the pandemic. But by now we were prepared, “trained” to deal with the vagaries and peaks in volumes while complying with social distancing measures. This strengthens my convictions: the important thing in life is to remain open to change.”



Leila RABHI
**PASSENGER SERVICE OFFICER
AT LA MÉRIDIONALE**

“I have to say that it was quite a busy year for me! Not only were the journeys to Corsica completely disrupted by the pandemic, but in early 2021, I was promoted to Passenger Service Officer. What I remember from the year was the way in which all the teams were able to adapt to guarantee the best conditions of safety and comfort for passengers despite the situation. As well as the additional hygiene measures, we had to change the catering arrangements on board; for example, takeaways for dinner, breakfast upon reservation left outside the cabin door... The most difficult thing to manage was boarding with the complex and changing formalities depending on the health situation, which were added to the security checks. At La Méditerranée, we believe that our passengers’ holidays begin at the port! We therefore worked to reach a flexible yet stable organisation, so that boarding was as fast and as smooth as possible. Now, the small mobile terminal which our staff use to check the identity and tickets of the passengers in each car, can also read the secure QR code of the French Covid contact tracing application. We support our customers beforehand by sending an email 4 days before departure with a reminder of all the necessary documents, a text message 2 days before with a warning about the timeframes for PCR tests, including in the event of a public holiday, etc. Just some of the details ensuring comfort and peace of mind for our passengers. This quality of welcome and services is also what makes the difference on our new Marseille-Tangier route. Today, we are ready and optimistic for this summer.”



A close-up photograph of a woman with her hair in a bun, wearing a red top. She is holding a slice of orange over her right eye. The background is a solid, bright yellow. The word 'OVERVIEW' is printed in large, white, bold, sans-serif capital letters across the bottom of the image.

OVERVIEW

A close-up photograph of a woman with red hair and red lipstick. She is holding a slice of orange over her right eye. The background is a solid, bright yellow. The woman is wearing a red top.

THIS YEAR, WE ARE OFFERING YOU THREE
THEMED PATHWAYS THAT REFLECT OUR
STATE OF MIND, OUR PRIORITIES AND OUR
LONG-TERM COMMITMENTS.

THIS IS STEF IN ACTION...

INNOVATING FOR CUSTOMERS AND TEAMS

Listening, responsiveness and added value...
That's our mantra for our customers.
Our collective ambition? To continuously improve
the Group's service quality and support
everyone's requirements as closely as possible.



INTERVIEW WITH OLIVIER LANGENFELD, SALES AND MARKETING DIRECTOR OF THE STEF GROUP

DISTRIBUTION CHANNELS HAVE BEEN PARTICULARLY DISRUPTED THIS YEAR AS HAVE THE AGRIFOOD MANUFACTURERS. WITH OVER 20 YEARS OF EXPERIENCE WITHIN THE GROUP, OLIVIER LANGENFELD TOOK OVER STEF'S SALES AND MARKETING DEPARTMENT IN MARCH 2021. EXPLANATIONS ABOUT THE GROUP'S POSITIONING AS CONSUMPTION BEHAVIOURS CONTINUE TO UNDERGO RAPID CHANGE.



What lessons did you learn from 2020?

2020 was a complicated year for all those involved in the agrifood chain. Starting with our customers - manufacturers as well as retailers and restaurant managers - who have had to demonstrate exceptional flexibility in order to adapt constantly. Successive lockdowns led to volumes normally consumed out-of-home being transferred to retail, causing abrupt and irregular variations in activity. Entire sectors, such as that of out-of-home foodservices came to a standstill. We put all our energies into supporting them during this period of major upheaval. But 2020 also marked a more fundamental turning point. While certain developments already existed, these have accelerated and are now happening in a more sustainable way. In addition to the growth in e-commerce, short distribution channels and organic products, I am also thinking of the increased requirements in terms of product sourcing and traceability and the expectations for greater consideration of environmental aspects. In short, the entire food chain has been disrupted and is seeking new balances.

“New balances”? Can you clarify?

In order to satisfy ever more demanding consumers who are increasingly turning to digital and omnichannel ways of shopping, our customers are focusing on new supply and distribution strategies. For STEF, the challenge will be to be even more agile and responsive to support each of them in the face of their new requirements. This means opening up new approaches, devising new offers, innovating, daring to think outside the box. This is part of our DNA and our responsibility. One thing is certain,

this is a key turning point. Many of our customer are reconsidering their logistics plans. They expect STEF to have the capacity to help them in this, to break the mould and be creative. More than ever, we must be at their side!

Innovate, to be even more agile, more responsive... Obviously, but how?

In many ways. Our ambition in the future is to position ourselves on the most relevant channels with perfectly tailored offers. To do so, we first need a knowledge and a detailed understanding of their new requirements in order to develop our business models accordingly. The growth in omnichannel is driving our customers to think about specialisation in their supply chains in line with the characteristics of each distribution channel, with many specific features such as short distribution channels and even urban logistics. Their commitment to more ethical transport also pushes us to go further, as we have done by integrating artificial intelligence technologies into the optimisation of our transport plans in order to reduce the carbon footprint of the goods transported.

The increased demand for information is one of the upheavals to be integrated...

... along with the need for better information sharing! Because data is a source of added value. When we transport products, we also transport the related data. There is also data that allows us to optimise delivery and ensure traceability. In total, that represents a considerable quantity of data. Our customer portal already offers a certain amount of information to make our customers' lives easier. Improving how we share this information with our

customers and their consumers is a major area of progress. This approach also extends to environmental challenges. I'm thinking, for example, of our mid-market customers. Some mid-size companies do not necessarily have the option to engage experts to deal with the expectations of their stakeholders and increasing regulations in this area. Helping them on these issues and supporting them in this transformation is also a way of being by their side and generating value for everyone.

In this context, isn't the Group's mission to provide support also changing?

The way in which our customers conduct their business is a source of inspiration and valuable information for improving our services and developing new offers. Regardless of the field of innovation or new environmentally-friendly technologies, they are a driving force that constantly pushes us to progress. Our added value is based on our ability to be able to work with them to build the solutions of the future. Because, more than ever, we are part of a strong partnership relationship.

“Our ambition is to build offers that are perfectly tailored to the specific features of each distribution channel and improve our data use to make it a source of added value.”



AN EVEN MORE EFFICIENT SUPPLY CHAIN USING ARTIFICIAL INTELLIGENCE

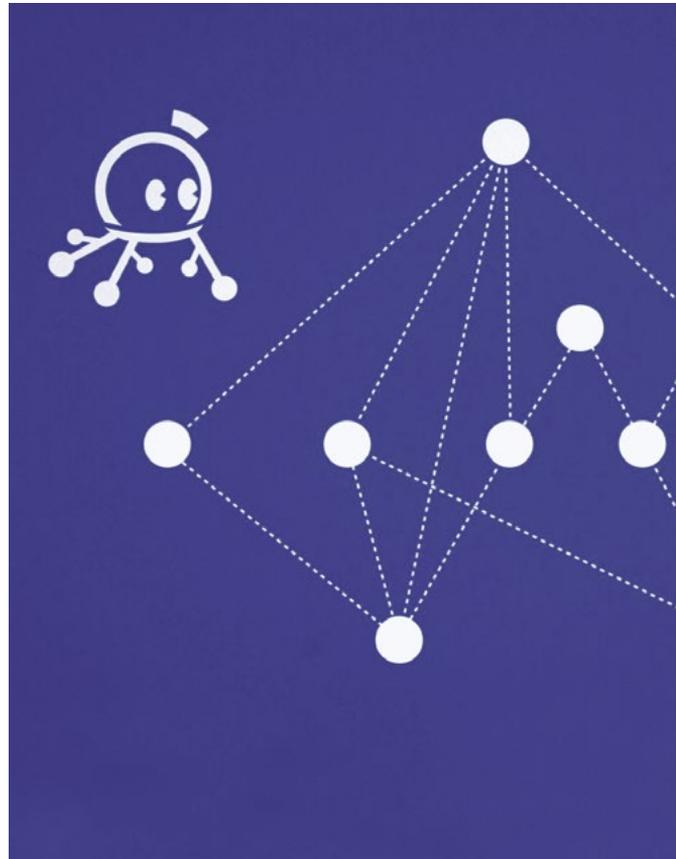
SINCE MARCH 2021, STEF HAS BEEN EXPERIMENTING WITH USING ARTIFICIAL INTELLIGENCE TO OPTIMISE ITS TRANSPORT PLANS IN ASSOCIATION WITH THE START-UP, DCBRAIN. THE RESULT IS GREATER AGILITY TO COPE WITH VARIATIONS IN ACTIVITY AND LOWER CO₂ EMISSIONS.

For several years, there has been an increase in the complexity of flows and constraints. To the point that effectively managing all the optimisation levers has become very difficult. STEF has therefore decided to accelerate its digital transformation and approached DCbrain, a start-up specialising in artificial intelligence applied to complex physical networks. The objective is to optimise the use of its fleet and that of its subcontractors to mechanically

reduce its CO₂ emissions and improve responsiveness by adapting operational plans according to variations in activity.

A first experiment was conducted in 2020 on a pilot site where the Group deployed the INES artificial intelligence solution, using digital twin technology. A convincing experiment since these new operational models improve the use of transport resources, raise service quality and reduce greenhouse gas emissions. Using this innovative hybrid AI

technology, STEF can now simulate its transport plans nationally and, branch by branch, enjoy an increased forecasting capability through predictive analysis and real-time optimisation recommendations. The INES solution will be deployed across all its sites from June 2021.



THE ORLÉANS-NORD SITE STRENGTHENS ITS DISPLAY OFFER

IN 2020, THE ORLÉANS-NORD SITE COMPLETELY REORGANISED ITS PRODUCTION LINES TO SUPPORT ITS CUSTOMERS' GROWTH IN VOLUMES.

Opened in 2017, STEF Orléans-Nord is a next generation site. It has a comprehensive offer: logistics, transport and packaging for sweet and savoury grocery products including display units traditionally installed by brands in stores, at the end of aisles.

In January 2019, the Group won the Easter 2020 project for a large chocolate brand. This resulted in an additional 60,000 display units, bringing the number of displays manufactured annually to over 160,000!

Since spring 2019 a dedicated team has worked to study the innovative processes most suited to such productions.

Its objectives are to automate everything while retaining as much flexibility as possible so as to support the changing needs of its customers and set up a high-capacity tool to assimilate the

growth in development by increasing competitiveness and improving employees' working conditions.

Despite a particularly strained context due to the health crisis, production was able to start in July 2020. Thanks to a fully controlled process, the new chocolate displays arrived on shelves in early 2021, to the great delight of all gourmets!

“By becoming a data-centric business, STEF demonstrates its leadership and epitomises the change that needs to take place in the transport and logistics sector.”

Benjamin de Buttet
COO and cofounder of DCbrain



A UNIQUE PARTNERSHIP ON COLLABORATIVE RESEARCH

FOR TWO YEARS NOW, STEF ITALY HAS BEEN A PARTNER OF THE IDEALS PROJECT - **INNOVATION AND DESIGN AS LEADERSHIP** - LED BY THE POLITECNICO DI MILANO.



This pioneering, international research platform works on new approaches and tools to foster employee involvement in innovation initiatives in order to help organisations develop. IDeaLs is based on three pillars: innovation as a vector of meaning in the development of organisations, design as a foundation

for collective change and leadership as a driving force for community engagement. As part of IDeaLs, STEF Italy participates in various working groups alongside other large organisations such as Adidas and Philips. The work has already led to the implementation of methodologies that are guiding the Group towards a new approach of sharing innovation within the company.

A NEW MILESTONE FOR OUR INNOVATION PROCESS!

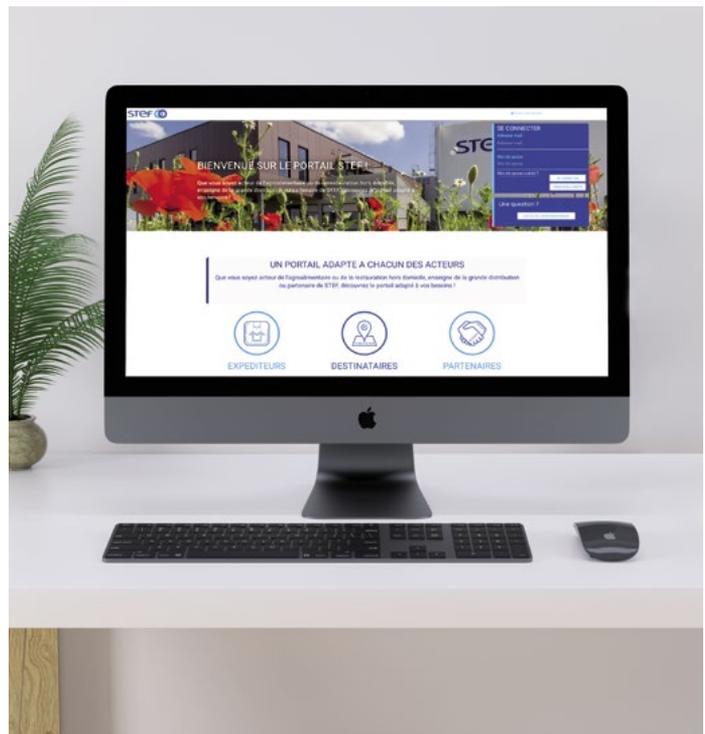
In order to carry out large-scale projects that respond to the challenges of the future food supply chain, in 2020, the Group created an innovation department. Its first actions were the European deployment of an internal tool for conceptualising and sharing local innovations, along with the creation of a collaborative monitoring platform.

This process is based on our entrepreneurial culture, the initiative of our teams, our ability to make ideas a reality on the ground and the expertise of the business units and business development.

The adopted approach is resolutely pragmatic and geared towards action. By facilitating relationship between employee communities, it unleashes energies, fosters and shares local initiatives and encourages openness with our ecosystem and its development. More than ever the objective is to seize all technological opportunities and generate good practices that can be applied across the entire Group.

STEF USES DIGITALISATION TO SERVE ITS CUSTOMERS

2020 was the year that STEF's new customer portal was deployed throughout Europe. A single interface now used to manage all their European transport operations.



The Group's customers can now access real-time order monitoring, digital delivery documents and dashboards with strategic indicators. But that's not all, because their recipients can also access their digital delivery documents. With over 6,000 accounts already created, from this year, this new portal

will offer additional services including parcel management and order entry for transport and logistics services. The Group is therefore continuing its efforts to digitalise and go paper free to provide a better response to its customers' requirements and environmental challenges.

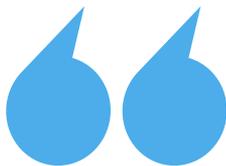
COMMITTED TO PEOPLE

The quality and performance of our services relies on the Group's men and women. Training them, allowing them to progress in their professional career, ensuring their safety and their fulfilment at work have always been major challenges.



INTERVIEW WITH JEAN-YVES CHAMEYRAT, HUMAN RESOURCES DIRECTOR OF THE STEF GROUP

THROUGHOUT 2020, INCLUDING THE LOCKDOWN PERIODS, STEF'S TEAMS CONTINUED THEIR MISSION OF SUPPLYING POPULATIONS. JEAN-YVES CHAMEYRAT, THE GROUP'S HUMAN RESOURCES DIRECTOR SHARES HIS THOUGHTS ON THE REMARKABLE HUMAN COMMITMENT THAT EVERYONE HAS DEMONSTRATED IN THIS EXCEPTIONAL SITUATION.



What do you think are the consequences of this unprecedented health situation?

The STEF Group's characteristic is that its activity must continue because its very purpose is supplying populations. This explains why, with few exceptions, our teams continued to work, including during the particularly difficult conditions at the start of the pandemic.

In this context, new benchmarks were quickly set up and achievements accomplished. Everyone's mobilisation was exemplary. But the unusual working conditions, uncertainties related to the changing health situation, and the lack of closeness between people unsettled some of our employees and generated a feeling of anxiety among others. Working methods were severely disrupted in all the Group's businesses: managing a team or progressing a project remotely is by no means easy.

However, STEF's teams coped...

We are inherently a very operations-focused, very responsive company. But we also need to understand and be with each other in order to build strong bonds and work well together. That's how it is and it's cultural. This closeness has been put at risk, but the strength of our internal solidarity, built over decades, has helped us to cope with this unprecedented situation. We have also been transparent about all the issues: organisational, economic, etc. Informing people is trusting and empowering them. In the end, 2020 proved that it is possible to work differently.

Consequently, in some ways, it has been an opportunity to change the rules of the game.

How are you approaching 2021 and the coming years?

After such disruptions, cultural changes and new working behaviours will be faster to implement, both internally and with our customers. This unique context has also given rise to – even reinforced – enduring individual and collective expectations. The human resources function and management in general must respond to these increased requirements in terms of support, closeness and visibility. Various projects were already scheduled for or started in 2020 but, they remain more relevant than ever in 2021 and for the coming years.

To which projects are you referring?

I'm thinking for example about internal promotion, the improvement in working conditions, employee health and safety which are all substantive topics; but also about different Group-wide projects that we have started and which are priorities for us. In particular, this is the case with professional gender equality: we want to be sure that the conditions for certain professions, historically considered as men's roles are more easily accessible to women. In order to break down walls and through glass ceilings, we need to reconsider the recruitment process, career management, the work environment, working time, etc. and also change attitudes. We have already successfully conducted such work on the subject of disability. This is a good example to follow. Other major issues that we plan to address in the coming years include formalising our management model and enhancing our social responsibility.

What do you mean by management model?

This is the bedrock of our STEF culture. The experience that every employee can have within the Group must not depend on their manager's

personality, their site or the country in which they work. It must be part of a set of shared principles that inspire every act of management, regardless of location and profession. This concerns internal and customer relationships, operational processes and innovation policy. We are working on the simple and practical translation of these common principles into daily behaviours.

You also mentioned social responsibility.
This is already a strong focus of STEF's CSR policy.
And you can boast great initiatives in this area...

That shouldn't prevent us from wanting to do more and better! More than ever, our responsibility is to ensure social mobility. We have done so for many years and will continue to do so in the future. The Group's growth and the nature of our activities mean that we can integrate, train and ensure the professional development of many people, particularly young people, regardless of their level of qualification or where they live. When we open a site, we recruit locally. In 2020, despite the health crisis, STEF hired nearly 2,000 people, which is almost the same number as in 2019. Every year, we endeavour to increase the number of permanent contracts on offer. This social mobility role is a powerful marker for us. We want to be even more proactive: not waiting for demand but generating it, increasing awareness of our jobs, strengthening relations with schools, universities, etc. Once again, this year has proven that STEF's wealth lies in its men and women who are our primary asset!

“More than ever, our responsibility is to ensure social mobility. We have done so for many years and will continue to do so in the future.”



STEF LAUNCHES ITS DRIVERS' SCHOOL IN FRANCE



At STEF, our drivers are more than just drivers! A genuine road technician, they are also ambassadors to our customers in the agrifood industry, retail and out-of-home foodservices. Key figures in the Group's commercial development, they are central to our quality procedure. This profession

therefore requires a high level of qualification in several areas (driving, safety, environment, etc.).

In order to train expert staff in the transport sector, STEF decided to launch its own drivers' school in partnership with AFTRAL, the leading transport and logistics training body in France. This vocational training includes 3 months of theory classes,

then 6 months on one of STEF's sites on an apprenticeship or professionalisation contract.

This project is part of the programme to recruit 450 lorry drivers across France in 2021 in order to respond to our business development.

“LADIES FIRST” STEF ITALY'S FEMALE LEADERSHIP PROGRAMME

The transport sector is traditionally seen as a male domain. This is why STEF Italy decided to rip up the rule book and make its jobs more accessible to women.

The approach has become a reality through a programme called “Ladies First” which aims to promote the development of female leadership. Created with the assistance of a specialist company, it is designed to raise awareness of professional equality among managerial and human resources teams.



Breaking down stereotypes, support for sites to facilitate diagnoses of the comparative gender situation, dialogue with social partners and implementation of progress actions are beginning to produce results. At the end of 2020, women represented nearly 33% of the workforce of STEF Italy.



ROOTED IN THE REGION FOR PROFESSIONAL INTEGRATION

In 2020, STEF embarked on a training and recruitment plan for order pickers at its Tigery site. Loyal to its principles, the Group opted to target primarily people seeking professional integration who do not necessarily have previous training in its professions and populations from the priority districts of the city policy.

The HR teams worked hand in hand with the local job centre to identify

candidates and organise meetings to present the Group's jobs. Interested candidates then attended an interview before being invited to the STEF Tigery site for a tour of the facilities and a detailed explanation of the business.

At the end of this process, 20 new employees began their induction and benefited from 140 hours of training in their new role.



GREATER SOLIDARITY WITH RESTOS DU CŒUR

Involved with Restaurants du Cœur since 2009, STEF has once again provided the association with its expertise in specialist food logistics.

In February 2020, Stanislas Lemor, Chairman and Chief Executive Officer of STEF, and Patrice Blanc, Chairman

of Restaurants du Cœur, signed a new three-year sponsorship agreement (2020-2022).

The objective is to provide long-term support to the association in terms of skills, training and technical resources.

The agreement is structured around four areas:

- support the annual Restaurants du Cœur collection by providing vehicles with drivers and storage areas;
- skills-based sponsorship focused on safety in and optimisation of the association's warehouses;
- train volunteers in different jobs (order picker, stock manager, team leader and business manager, etc.) and managers in law and social regulation. All these actions are managed by the STEF Group's training body, the Institut des Métiers du Froid;
- support the logistics management of the association's food donations throughout the year.



“We need professional advice to secure our stocks and make the entire donation chain smoother and more efficient. With the STEF teams, we have built a quality partnership which is embodied in practical ways every day.”

Patrice Blanc, Chairman of Restaurants du Cœur

CAMPUS PARENTALITÉ

A UNIQUE EDUCATIONAL PARTNERSHIP THAT CONTRIBUTES TO THE ACADEMIC SUCCESS OF EMPLOYEES' CHILDREN



Since 2018, STEF has offered its employees in France a free subscription to an academic success platform, Campus Parentalité. This fully digital scheme was particularly appreciated in 2020.

Based on the school curricula from primary to sixth form, it supports children throughout their schooling by giving them entertaining and

interactive exercises. The result is personalised improvement at their own pace! It also includes access to a digital library and a guidance assessment to discover new jobs through a set of tests and questionnaires. The platform also offers parents all sorts of advice and tips to guide them in their role. In 2020, over 450 new subscribers joined Campus Parentalité, alongside

the 3,000 parents and children already registered. Building on this success, the Group has implemented a new solution which will reach an even broader target audience, from early childhood to grandparents.



BUILDING AN EVEN MORE ETHICAL SUPPLY CHAIN

New commitments, new objectives... This year, STEF decided to revitalise its environmental policy. The priority is to combat climate change.



INTERVIEW WITH ARMELLE PERRIER, SUSTAINABLE DEVELOPMENT DIRECTOR FOR THE STEF GROUP

IN 2020, ARMELLE PERRIER TOOK OVER THE GROUP'S ENVIRONMENTAL POLICY. A TRAINED ENVIRONMENTAL AND SAFETY ENGINEER, SHE HAS OVER 20 YEARS OF PROFESSIONAL EXPERIENCE IN THE FIELD TO BUILD THE GROUP'S CLIMATE ROADMAP. SHE EXPLAINS THE PROCESS AND OBJECTIVES TO US.



What is your mission within the Group?

My mission is to structure and strengthen the Group's environmental approach, a field in which it has been a pioneer since it launched its process over ten years ago. This means defining its new ambitions: quantified objectives, the associated resources for achieving them and setting up indicators to monitor them. My role also involves managing a community of representatives and internal environmental advisors throughout Europe to give the necessary impetus to the policies conducted within each country and each business unit. In order to coordinate this process and ensure the proper organisation of the projects a steering committee was created and meets once a month. This is comprised of ten members, half are Group experts, the other half, members of the Executive Committee. Mobilisation at the highest level is essential to providing momentum and taking positive action.

You have made the fight against climate change a priority: why?

The fight against climate change is a priority that must be tackled. The health crisis has been a wake-up call pushing both companies and individuals to take action. Particularly because the signs of climate change are increasingly visible on a daily basis with temperatures now reaching worrying levels. We are all now in a race against time to reduce our greenhouse gas emissions (GHG) and the requirements in terms of our business segment are particularly important. In addition, in 2020, we carried out a diagnosis that underlined the high expectations of all our stakeholders in this field, both of our customers as well as our employees. This collective desire to move up a gear is thrilling and a decisive factor in the ambition given to this process.

What are the objectives? And how have they been developed?

We have structured our objectives to reduce our GHG emissions around two major themes: sustainable mobility and a more ethical cold production. The first is achieved through our commitment to reduce the CO₂ emissions of our vehicles by 30% by 2030. The second is exemplified by our desire to convert our buildings to 100% low-carbon energy from 2025. These objectives have been defined in partnership with the relevant teams (vehicle technical division and real estate division) and together, we have identified the resources that we can use to achieve them. There is no point having ambitious objectives if they cannot be achieved!

What are the actions planned to achieve these objectives?

We have developed a 10-year programme. With regards to our vehicle fleet, part of it will move to biofuel produced exclusively from co-products of French rapeseed cultivation. This approach has a threefold benefit, it reduces greenhouse gas emissions of the relevant vehicles by 60%, uses a co-product of French agriculture and reduces European imports of biofuels (the impact of which on deforestation is disastrous). For vehicles that serve low emission zones (LEZ) in large towns and cities, we have elected to promote vehicles using biogas from the anaerobic digestion of agricultural waste and biowaste from unconsumed food products. We are also testing other alternative energies such as electric, the future development of which will soon allow sufficient autonomy to ensure both mobility and cold production. I would add that we wanted to extend this approach to our ecosystems and are going to create a support programme for our subcontractors in order to assist them in this carbon footprint reduction process. Experiments are already in progress in three of our countries: Spain, Italy and France.

And for cold production, how do you hope to achieve 100% low-carbon energy in buildings?

We are greatly developing the use of photovoltaic panels on our facilities in southern Europe (Italy, Spain, Portugal and the South of France) and have signed “green contracts” with certain electricity suppliers.

In addition to the action on our warehouses, we are going to change the refrigerated units in our vehicles (most of which use off-road diesel) to other energies. The resources currently being tested by the Group are electricity produced by the vehicle’s engine, the expected benefit of which is a 30% reduction in associated emissions, cryogenics and hydrogen, which we will talk about again shortly.

2021 therefore promises to be a busy year...

Indeed! Especially since our action plan is supplemented by a broader objective to make every one of the Group’s employees feel involved and become responsible for reducing the carbon footprint in their professional and personal lives. To do so, certain pilot entities within the Group have launched three experimental projects for 2021: the electrification of a fleet of service vehicles, a zero plastics programme in the offices and a biodiversity programme across our real estate projects. I am confident because I know all the teams working on this wonderful company project!

The STEF Group is committed to the climate.

A 10-year programme:

- 30% reduction in CO₂ emissions by 2030 for our vehicles;
- 100% low-carbon energy by 2025 for our buildings;
- support our transport subcontractors on a more ethical path.



URBAN LOGISTICS CONTRIBUTES TO THE GROWTH OF CITY CENTRES

It is therefore essential to find the right balance between the economic imperatives, respect for the environment and quality of life for the inhabitants. To do so, the Group works actively on all the technological levers available to it.



Compressed natural gas (CNG) is today an alternative to diesel engines for greener last mile logistics.

● **In Brussels**, since 2017, STEF Belgium has operated an urban distribution logistics area on the morning market. The teams carry out cross-docking activities: receipt of fresh and frozen food products during the night then distribution between 6 am and 3 pm. Since March 2021, a CNG lorry has joined STEF Belgium's fleet to deliver to shopkeepers and restaurant managers in the city centre. This new vehicle halves particle emissions and noise pollution and has an improved carbon footprint of around 30%.

● **In Nantes**, the Carquefou site has enhanced its fleet with three new carriers that operate 100% on gas: engine propulsion and cold production. A first in the Group! These vehicles strengthen the site's environmental approach started in 2013: LED lighting, thermal insulation, heat pump, rainwater collection. It also has a receiving and loading dock for goods that can accommodate vehicles specially adapted for city centre deliveries.



DROIDS FOR SMALL DELIVERIES IN CITIES?

This is the challenge of the experiment in which STEF has been involved in Montpellier since 2020. These fully electric droids, designed by the Occitan start-up TwinswHeel, travel at up to 6km/h in congested environments and can reach up to 12.5km/h in more open spaces. The objective is to verify the reliability of the service in situ, how smoothly the robots can join traffic flows and the acceptability of this delivery method by pedestrians and citizens before it is implemented in low emission zones. Led by the Metropolis of Montpellier, ADEME and the French Government, this experiment is conducted in partnership with STEF, the French postal service and Cara, the competitiveness cluster specialising in transport systems for passengers and freight using droids.

BLUE ENERSUN PILOTS CONSTRUCTION OF EIGHT NEW PHOTOVOLTAIC POWER PLANTS



Blue EnerFreeze, IMMOSTEF's energy management subsidiary, has established a joint venture with Storewatt, its long-standing partner in the development of photovoltaic power plants designed for self-consumption. The new subsidiary, Blue EnerSun, is piloting the construction of eight

new power plants in Italy, Portugal and Spain which will become operational in the first half of 2021. Six power plants in France will also come into service during the year. In total, 27 MWp will supply low-carbon energy to the Group's warehouses fitted with photovoltaic panels.

STEF JOINS THE **LEAN & GREEN*** PROJECT OF GS1** PORTUGAL



By electing to join forces in this certification programme, STEF and Bel Portugal are clearly demonstrating their shared commitment to reduce carbon dioxide emissions related to their logistics operations.

Committed to the fight against climate change, STEF has obviously come forward to share this process with its customer. For its part, Bel Portugal, specialising in dairy and fruit solutions and with its local facilities and brands, intends to do its utmost to develop a sustainable food chain in the country.

Through this collaborative partnership, STEF and Bel are joining forces to reinvent logistics management models and work towards carbon neutrality.

***Lean & Green** is a certification for companies and organisations who, through practical plans that can be verified and audited, commit to reducing the CO₂ emissions in their logistics operations, throughout the value chain.

****GS1 Portugal** - Codipor is a neutral and multi-sectoral, private, non-profit association, declared to be of public utility. It brings together some 9,000 companies in the food industry and is designed to create standards that can be shared by all.

EMS: RENEWAL OF THE **ISO 50001** CERTIFICATION AND TANGIBLE RESULTS



STEF has been committed to a proactive process of controlling its electricity consumption since 2014 and its fuel consumption since 2018. The Group has implemented an energy management system for all its real estate in France. This commitment has led to it obtaining the ISO 50001 certification on nearly 140 of its sites, renewed for 3 years in 2020.

The results are tangible: the actions, combined with operations to educate employees, have made it possible to exceed the targets for reducing electricity consumption and led to a reduction of 23% per docked tonne between 2014 and 2020.

VEHICLES EQUIPPED WITH “ENGINELESS” REFRIGERATION UNITS

A “refrigeration unit” enables cold to be produced on board refrigerated vehicles and guarantees the food safety quality of the products entrusted to us. Most of these devices currently run on off-road diesel. The objective is to develop them to use electricity produced by the vehicle’s engine. The expected benefits? A 30% reduction in fuel consumed and therefore a 30% reduction in associated GHG emissions. In total, 20 vehicles are currently being tested within the Group. Like biogas and cryogenics, this technology is one of the solutions with which the Group is experimenting in order to reduce its climate impact linked to GHG emissions from its vehicles.



RENEWABLE AND LOW-CARBON ENERGY ON THE FIDENZA SITE IN ITALY

11,000 photovoltaic panels, covering the equivalent of three football pitches, have been installed on our transport and logistics platform for frozen products in Fidenza. This equipment will produce over 4 million kWh per year and will be entirely dedicated to the site’s energy supply. With this new power plant, most of the energy needed to operate the platform will be produced using renewable and low emissions sources.



NEW SHIP, NEW ROUTE!



The Pelagos,

La Méditerranéenne's new vessel bears the name of the maritime sanctuary between Corsica and the continent: a way of reflecting the company's approach to protecting the environment.

AND CROSSINGS THAT ARE EVER MORE ENVIRONMENTALLY-FRIENDLY

La Méditerranéenne's fleet is growing. In 2020, a new vessel joined the maritime company's fleet. It now has four ro-ro mixed passenger and cargo vessels: the Piana, the Kalliste, the Girolata and the Pelagos, delivered in May 2020. Their total capacity is 7,600 linear metres, which is the equivalent of 560 trailers and 2,300 passengers with their cars.

New international route - In late 2020, La Méditerranéenne opened a maritime route between Marseille and Tangier (Morocco). This regular service designed for both freight and passengers comes at a key moment in the search for alternative economic and ecological solutions to road. The first months of operation have been positively received which heralds a rapid growth for this new route. On 1 March 2021, La Méditerranéenne also

resumed its service from the port of Ajaccio in partnership with Corsica Linea and from the port of Propiano, under the new 22-month public service concession between Corsica and the continent.

Lower carbon impact - Always a pioneer in terms of environmental protection, La Méditerranéenne has invested heavily in reducing the carbon impact of its activities. In 2017, it set up a quayside electric connection in the port of Marseille in order to reduce polluting emissions and noise pollution related to the operation of engines when in port. In 2020, docked vessels represented over 94% of its electricity consumption. Another innovation where the results are promising: the particulate filter installed on board the Piana is performing well in terms of reducing the amount of sulphur and

fine particles discharged into the sea. The Pelagos is also equipped with a hybrid scrubber which can operate as a open or closed loop. This system is used to trap gaseous pollutants contained in the exhaust gases of the propulsion engines and generators.



THINKING THE FUTURE!

This is the invitation issued by the book published by STEF to celebrate its 100 years. At the end of it, nine international experts agreed to share their perspectives on developments in the food industry in the face of multiple challenges.

Innovations in cooling, traceability, the future of food, the fight against food waste, the growth of short supply chains, and the supply chains of the future, etc. These renowned specialists outline the key aspects of this necessarily-pluralist transformation to take into account the multiple parameters. This wealth of stimulating ideas will inform both our thinking and commitment to action.



SELECTED SOUNDBITES



“It is no coincidence therefore that refrigeration was a global priority in the United Nations sustainable development objectives (...) in 2019. New applications are appearing that will shape the future of humanity. (...) We are therefore justified in thinking that cooling will be one of the solutions in the fight against global warming (...) due to the capture and storage of liquid CO₂ (...).”

In “Will we ever truly get the full measure of cooling?”

by **Didier Coulomb**, Director general of the International Institute of Refrigeration in France.



“In the digital era, transport and home delivery of food and fast-moving consumer goods have become increasingly complex. Consumers expect a rapid, convenient, cheap service. Furthermore, it is essential not only to guarantee food safety, but also to maintain quality and the cold chain throughout the process.”

In “A forward-facing sector”.

by **Francisco Javier Campo**, President of the Asociación de Fabricantes y Distribuidores (AECOC).



“The pioneering role played by the agri-food industry in the emergence of a logistics mindset, especially in relation to refrigerated goods, can be explained by the many stringent constraints to be considered (...). For companies in the refrigeration business, it quickly became apparent that the ongoing search for innovative solutions to these challenges was an opportunity to create value and gain new competitive advantages.”

In “Logistics services: the key to success and the passport to the future”.

by **Dr Jacques Colin**, Professor of Management Science at Aix-Marseille University until 2017.

“We now refer to “food transformation 3.0” which is bringing about a fundamental change in what we put on our plates and in the agri-food sector in three major food areas: food well-being, the role of “phygital” in our dietary practices and alternative food consumption (...). Now that digital technologies are ubiquitous, it is particularly interesting to understand how the integration of technology influences eating habits.”

In “Food transformation 3.0: how will we be eating in the future?”

by **Dr Wided Batat**, who has a doctorate in Management Science, is a professor-researcher and ethnographer specialising in Food Experience and Well-Being.



💧💧 Social and solidarity short supply chains emphasise social bonds, cooperation, transparency and fairness between stakeholders (...). We also need medium distances, to which we can apply the social and environmental benefits of short supply chains. 💧💧

In “medium distances and short supply chains: is complementarity necessary?”

by **Françoise Bernon**, Executive Director of the Labo de l'économie sociale et solidaire (ESS) from 2011 to 2020.

by **Marie Morvan**, Project Manager at the Labo de l'économie sociale et solidaire (ESS).



💧💧 Refrigerated transport, and temperature-controlled logistics more broadly (...) must continue to develop and innovate in order to adapt to changes in society and to social, environmental and economic constraints. (...) Developments in big data, phenomenal AI capability and also advances in metrology are opening up new avenues for the future in this field. 💧💧

In “Traceability, transparency, and the Monvoisin tripod: a refrigeration primer for the citizen–consumer”.

by **Gérald Cavalier**, President of the Cemafruid group, the Science and Technology Council of the International Institute of Refrigeration and the Association Française du Froid.

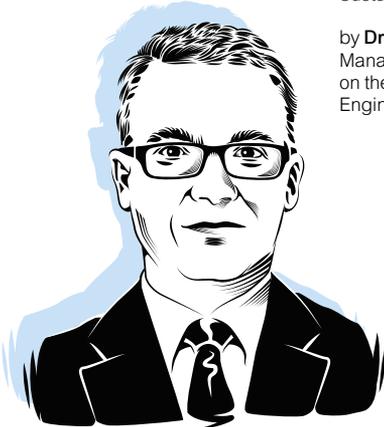


💧💧 821 million people worldwide are experiencing hunger, but 1.3 billion tonnes of food are being wasted every year, i.e. one third of all food produced annually. (...) Logistics service providers can play a key part in this area by creating value for the system as a whole and playing a valuable social role. 💧💧

In "Redistributing surplus food: a major challenge for our times."

by **Dr Giulia Bartezzaghi**, Doctor and Director of the Food Sustainability Observatory at the Polytechnic University of Milan.

by **Dr Marco Melacini**, Professor of Logistics Management, Polytechnic University of Milan on the Masters of Science in Management Engineering programme.



DISCOVER MORE
ON OUR WEBSITE:
WWW.STEF.COM



Publication: Communication Department – Céline Audibert – Catherine Marie

Conception/Design/Publishing: Idéogramme Communication – Drafting: Corine Delahaye
Photographs by: Clan d'Oeil – Cyril Bruneau – Photothèque STEF – La Méridionale – Istock.
“Thinking the Future” illustrations by Yann Legendre.



*Promoting the sustainable
management of forests*
For more information:
www.pefc.org



Public Limited Company with a share capital of €13,000,000
Head Office: 93, Boulevard Malesherbes – 75008 Paris
999 990 005 RCS Paris

www.stef.com