

CSR Programme Elevates Casual Dining Group's (CDG) Sustainability Profile with Collaborative Supply Chain Approach

Comprehensive Policies Win the Organisation the Ethical Procurement Award

AT A GLANCE

Three years ago, Casual Dining Group (CDG) recognised the growing importance of Corporate Social Responsibility (CSR) and sought to differentiate itself by leading the industry with a strategy that would achieve supply chain assurance, support the value of its brands, and enhance relationships with suppliers, customers and other external stakeholders. To that end, CDG set out to achieve “Best in Class” status in key CSR areas, from sustainable sourcing and menu development to restaurant operations and brand marketing.

CDG worked with industry partners to guide its approach in identifying the organisation’s priorities and objectives and then defining a roadmap to achieve them. Central to the effort was the further development of policies in key areas, including animal welfare, sustainable sourcing, ethical trading, nutrition and health, and menu development that would support the integrity and successful delivery of its strategy.

Since the inception of the approach, CDG has delivered on many of its key objectives and continues to analyse and mitigate risk among suppliers as well as engage with relevant experts on the issues that are most material to the business.



BACKGROUND

CDG is one of the UK’s largest casual dining chains, operating multiple well-established brands, including Bella Italia, Café Rouge and Las Iguanas. The company employs over 10,000 people and serves more than 20 million meals each year at over 300 locations. Through its vision on sustainability, CDG is building a strong and lasting reputation as a good corporate citizen that guarantees that customers’ food is prepared from quality, sustainably-sourced ingredients.





"We knew CDG and its supply chain had the capacity to achieve important step changes towards the long-term viability of our business and brands, act responsibly toward our customers and employees, and contribute to the sustainability of society at large.

We just needed a way to formalise an approach that would enable the company and all of its stakeholders to positively contribute to this effort."

– Simon Galkoff, Group Procurement Director at Casual Dining Group

CHALLENGE

After witnessing increased pressure from consumers, government regulators, non-governmental organisations and media for sustainable operations in the casual dining sector, CDG knew that supply chain assurance would be expected of others as well. Since CDG's brands are well-known and trusted by customers, the company wanted to secure this brand equity over the long term through evidence-based responsible sourcing, menu development and good environmental practices.

In 2015, the company formalised an approach to food traceability and total transparency with its suppliers to support its CSR strategy and related programmes that would protect its brands and provide a platform for adding value to them in the future. CDG then turned its attention to its procurement strategy to align current and future suppliers with the CSR strategy. This would also enable CDG to work with key external partners to remain at the forefront of the issues and industry best practices.

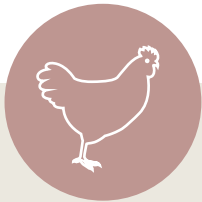
“We have been able to quickly transform our supply chain practices to drive transparency that builds customer trust, enhances our brand reputation and supports our core business strategy with the help of business partners such as SAI Global and external experts. Moreover, we have now established relationships with key suppliers who can support us in developing policies and solutions for future supply that will build on our CSR commitments.”

– Simon Galkoff, Group Procurement Director at Casual Dining Group

SOLUTION

CDG elected to work with a number of industry experts, supported by its technical services provider, SAI Global, to deliver a procurement strategy focused on supply chain assurance and corporate responsibility practices. The first step was the development

and execution of a CSR vision and strategy. Working with the brands, a CSR strategy adviser – in collaboration with a dedicated SAI Global Technical Manager working on-site – identified the following areas:



ANIMAL WELFARE

CDG worked with Compassion in World Farming (CIWF) to develop a plan that would promote higher welfare standards for every species in its supply chain, starting with free-range eggs. This approach required developing policies for each species and investigating ways for producers to adopt higher welfare systems on a species-by-species basis.



SUSTAINABLE SOURCING

The organisation understood that independent certification demonstrates traceability, product authenticity and due diligence, so it set a goal to achieve 100% independently certified sustainable sourcing by 2020 in eight key commodities that are globally recognised as at “high risk” of being unsustainable: palm oil, soy, fish, coffee, tea, cocoa, sugar, and timber. CDG communicated policies to support this goal with key suppliers and continues to undertake regular reviews to ensure compliance and that achievement of this target is on track.



ETHICAL TRADING

The company complies with the Modern Slavery Act to ensure that employees within CDG’s own operations as well as within its supply chain are cared for, respected and well-treated. To that end, the company developed policies and procedures based on ethical trading law, international human rights conventions and the Ethical Trading Initiative base code. This approach has enabled the company to build trusted and sustainable relationships with its employees and suppliers and minimise any risk of modern slavery or other worker welfare infringements wherever possible.

After setting the policy framework for the programme’s focus areas and issuing clear guidance, CDG then worked with the marketing teams for each brand to develop their own relevant outward expressions of the CSR strategy, enabling CDG’s vision and values to become embedded in the business, supported by robust third-party partnerships.

To measure its progress, SAI Global worked with CDG to manage the complex supplier compliance information required and provide real-time analytics of performance

metrics. By designing a way to track the status of the supply chain, SAI Global enabled CDG to target specific suppliers to ensure programme success.

Since the programme was launched internally, CDG continues to engage with government regulators, consumer groups and non-governmental organisations to ensure ongoing proactive development of its CSR strategy and supply chain assurance programme.



RESULTS

CDG's programme has yielded impressive results in as little as three years.

- Earned the Ethical Procurement Award at the 2017 Triple Bottom Line Awards
- Become the first major UK high street restaurant chain to earn the CIWF Good Egg award for sourcing 100% free-range shell eggs and liquid eggs, and has committed to only using free-range eggs in all dishes by 2022
- Achieved recognition by Fish2Fork for its sustainable fish sourcing policies, with Café Rouge and Bella Italia ranked 1st and 2nd respectively out of 20 high street restaurants (January 2017)
- Become the first UK restaurant chain to provide a public statement on modern slavery in compliance with the UK Modern Slavery Act of 2015

"Undertaking the programme has impacted CDG in ways we didn't even anticipate at the outset," added Galkoff. "In addition to achieving our internal goals, we have emerged as a sustainability leader and are able to attract talent because of the culture we have established. The effort has created true value across our business and for our shareholders and will continue to impact our performance as we review the plan annually for ways to improve."

About SAI Global

At SAI Global, we help organisations proactively manage risk to achieve business excellence, growth, sustainability and ultimately, create trust.

Our integrated risk management solutions are a combination of world-class tech platforms, services and advisory capabilities that operate across the entire lifecycle allowing businesses to focus on opportunities presented by uncertainty. Together, these tools and knowledge enable customers to develop a holistic, integrated view

of risk. In Australia, we are also a leading provider of settlement-related services; company, personal and property information.

SAI Global's head office is located in Chicago, Illinois. We employ more than 2,000 people across 28 countries and 51 locations across Europe, the Middle East, Africa, the Americas, Asia and the Pacific.

To learn more about how SAI Global can help transform your risk and compliance programme, email information@saiglobal.com, or visit www.saiglobal.com

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