

Corporate social responsibility report

Community values have always been at our heart, but we realise there is more to being a responsible business than our charitable funding, namely the quality of our food, the impact we have on the environment and how we treat our employees.

In 2013, we began to develop a corporate social responsibility ('CSR') strategy by analysing our current business practices and devising a plan for the years to come. We have a successful business, built on a simple business model – deliver hot, freshly made pizza to our customers as quickly as is safely possible.

We have a responsibility to uphold the solid reputation our business has formed since we arrived in the UK in 1985. To ensure we build a sustainable business for the future, we have developed a responsible delivery plan, our CSR strategy.



FOOD

➔ Premium quality, great tasting, innovative

➔ **Food**
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ENVIRONMENT

➔ Reduce energy consumption, reduce, recycle and reuse waste and reduce emissions

➔ **Environment**
page 03



EMPLOYEES

➔ Happy staff, healthy staff, engaged staff

➔ **Employees**
page 05

COMMUNITY

➔ To care, to share and to be at the heart of our local communities

➔ **Community**
page 06

FOOD



OUR AIM IS TO SERVE OUR CUSTOMERS GREAT TASTING, QUALITY FOOD.

ACHIEVEMENTS IN 2014

- Allergens information on all our products is now displayed online and at the point of sale in store
- All food and packaging suppliers have signed up to the Supplier Ethical Data Exchange

Being a food delivery business, the origin and quality of the food we supply to our customers is paramount. All our pizzas are freshly made to order, using only the best quality ingredients we can source.

Nutrition

During 2014, we continued to work on the pledges we made as part of the Department of Health's Responsibility Deal. As a signatory to the Responsibility Deal, we have pledged to ensure that our products do not contain artificial trans-fats, reduce the amount of salt in our food and provide out-of-home calorie labelling. We are proud to state that we have no trans-fats, artificial colourings or flavourings in any of our food.

We have continued to work closely with our suppliers to see where further changes can be made to reduce the amount of salt in our products. We will continue our work on this in the coming year and look for opportunities to reduce salt in our products.

During the coming year, we will also look to include further information regarding the nutritional content of our products to help customers make informed choices.

Product sourcing

We continue to look at ways of reducing food miles, where possible, through local sourcing whilst maintaining the best quality products. We are proud that all of the mozzarella we use is sourced in the UK from north-west Wales using milk produced on farms no further than a 160-mile radius of the production plant.

During 2014, we continued to source tuna caught by 'pole and line' as it is a more sustainable fishing method. We also looked for further opportunities to increase the sustainability credentials of the products we buy, which is something we will continue to pursue in 2015.

Working in partnership with our suppliers

We have continued to work closely with our suppliers to make sure that our pizza has the best quality ingredients in it. We are proud that, during 2014, we managed to get every one of our suppliers of food and packaging products to the UK to sign up to the Supplier Ethical Data Exchange ('SEDEX').

SEDEX is an organisation with thousands of members and seeks to promote ethical and responsible business practices in supply chains. By signing up to SEDEX, our suppliers can share data about their supply chain, business practices and employee practices on an online platform which we can view to ensure that all our suppliers meet our ethical standards.

OBJECTIVES FOR 2015

- Further reduce the salt content of our products
- Seek to increase the sustainability credentials of the products we buy

→ [Read more online](http://corporate.dominos.co.uk/csr)
corporate.dominos.co.uk/csr

Corporate social responsibility report continued

ENVIRONMENT



ACHIEVEMENTS IN 2014

- ➔ Reduced our CO₂e emissions per tonne of dough produced by 10% (compared to our baseline year)
- ➔ Reduced speed limit by 5.5% across our entire supply chain fleet in the UK and ROI
- ➔ Rolled out dynamic routing across supply chain to drive fuel efficiency
- ➔ Implemented energy management system to monitor energy usage

Driving energy efficiency

We are committed to continually looking at innovative ways to improve our energy performance across our Supply Chain Centres and fleet of trucks. To maximise the efforts of our facilities and transport teams in this area, we have decided to use the internationally recognised best practice energy management standard (ISO 50001) as a framework for managing our energy consumption. We began implementation of the system at our Head Office and Supply Chain Centre in Milton Keynes as well as our second largest Supply Chain Centre in Penrith. By using the structured approach provided by the standard, we have increased our understanding of equipment and fleet efficiencies and we are in the process of developing an energy efficiency opportunities programme.

Furthermore, as of 1 April 2014, we are complying with phase two of the Carbon Reduction Commitment ('CRC') energy efficiency scheme and we are working with our franchisees with the aim of collecting and profiling the energy consumption of each store. In 2015, we wish to take this work to the next level by helping our franchisees to identify energy efficiency opportunities across their operations.

Delivering smarter

As part of our 'delivering smarter' commitment, we have achieved our 2014 target of reducing the speed limits of our vehicles that deliver the fresh dough and ingredients supplied by our Supply Chain Centres to stores. Vehicle speeds have been reduced by 5.5% across the fleet which has allowed us to deliver more miles on less fuel and reduce emission levels of all our vehicles.

During 2014, we continued to procure vehicles that comply with the latest EC emission and noise specifications and encouraged road safety and good driving practices by providing a high standard of driver training.

We also completed the roll-out of a dynamic routing system across the UK and ROI. This system allows us to optimise capacity loading and use each truck to deliver to more stores, thereby reducing overall transport miles and the number of trucks on the road.

Striving for zero waste to landfill

This year we took one step closer to reaching zero to landfill, with over 95% of our waste in the UK being either recycled or recovered.

We comply with the greenhouse gas ('GHG') emissions reporting requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 for GHG emissions.

Our GHG emissions inventory

We have adopted a financial control approach to defining our organisational boundary; as a result we report GHG emissions from all four markets considered as part of the Group's current financial consolidation: UK, ROI, Switzerland and Germany. Accountability for our overall environmental performance rests with the Group Executive.

The methodology used to compile this data is in accordance with the requirements of the following standards: the World Resources Institute's Greenhouse Gas Protocol and DEFRA's Environmental Reporting Guidelines including mandatory greenhouse gas emissions reporting guidance (June 2013) and ISO 14064 – part one.

Our reporting period for GHG emissions is 1 October to 30 September¹ and the 2013/2014 GHG emissions inventory marks our second year of GHG emissions reporting. Our material GHG emissions from business activities in this period amounts to 12,360 tonnes tCO₂e, as set out in table 1 (opposite).

We continue to track GHG emissions over time against our dough production levels. As such our intensity ratio for this reporting year is 0.40 tCO₂e per tonne of dough produced.

A more detailed view

In addition to the business activities outlined above, the Group collects data on a more expanded scope of activities which we believe to be pertinent to our carbon management strategy. The GHG emissions from these activities have been broken down at market level for each reporting scope (see table 2 opposite).

Our total carbon footprint against this expanded scope was 13,287 tCO₂e and our carbon intensity ratio was 0.43 tCO₂e per tonne of dough produced; this has decreased by 10% since the baseline, putting us on track to meet our target to reduce CO₂e per tonne of dough produced by 25% by 2018.

In summary:

- ➔ our emissions from natural gas and kerosene are down as a result of milder winter months in the UK and ROI;
- ➔ emissions from vehicles owned by the Group are down as a result of fuel efficiency measures in the UK and improvements in data quality for our German market;
- ➔ emissions from our purchased electricity are up as a result of an 11% uplift in the UK conversion factor compared to last year; and
- ➔ overall energy usage has remained stable despite an increase in production of 12%.

Our GHG emissions inventory covers all four markets but does not include franchisee emissions as we do not have sufficiently accurate information to report on the impact of franchisee operations. It also excludes the following: GHG emissions from refrigerants, air and rail travel from our operations in Switzerland and Germany and water consumed by our corporate stores in Germany. Where data is incomplete (i.e. less than 12 months of data is available), GHG emissions are extrapolated from the available information and references to accounting and calculation methodologies for any assumptions, estimations and re-calculations performed have been documented.

OBJECTIVES FOR 2015

- Achieve certification to ISO 50001 for our UK energy management system
- Continue to identify opportunities for waste reduction in line with our commitment to continue reducing waste

Table 1

	Emissions source	Tonnes of CO ₂ e ² (baseline)	Tonnes of CO ₂ e (2013/2014)
CO ₂ e from the combustion of fuel and the operation of any facilities	Natural gas	802	710
	Kerosene	99	71
	Refrigerant	189	156
	Owned vehicles ³	6,726	6,359
CO ₂ e from the purchase of electricity, heat, steam or cooling by the Company for its own use	Purchased electricity	4,500	5,064
Total		12,316	12,360

Table 2

2013/2014 (tonnes of CO ₂ e)	UK	ROI	Switzerland	Germany	Total Group	Total Group (baseline)	% change
Scope 1							
Natural gas	391	–	164	155	710	802	-11%
Kerosene	–	71	–	–	71	99	-28%
Refrigerant	91	65	–	–	156	189	-17%
Owned vehicles	5,432	694	54	179	6,359	6,726	-5%
Scope 2							
Purchased electricity	4,399	345	16	305	5,064	4,501	13%
Scope 3							
Water ⁴	15	1	7	<1	23	24	-4%
Waste	21	17	–	–	38	39	-3%
Business travel ⁵	223	–	–	–	223	342	-35%
Hired vehicles ⁶	179	34	–	–	213	n/a	n/a
Electricity transmission and distribution ⁷	385	28	1	15	429	351	22%
Total tonnes CO₂e	11,136	1,255	242	654	13,286	13,073	2%
Out of scopes	121	14	1	8	144	139	4%

Notes

- Our financial reporting year is the calendar year; however, we have set our reporting period back by a quarter to facilitate data collection.
- We report all material GHG emissions, using 'tonnes of CO₂-equivalent' (tCO₂e) as the unit, to account for all GHGs which are attributable to human activity, as defined in section 92 of the Climate Change Act 2008(a). The only exception is for GHG emissions from electricity in ROI, Switzerland and Germany where the GHG emissions are reported in CO₂.
- Includes fuel consumed (petrol, diesel, red diesel) by our supply chain delivery fleet, our company cars and our corporate store delivery fleet.
- GHG emissions based on the impact associated with the supply of water used in production (apart from in Switzerland where the impact of both the supply and the disposal of water is accounted for as water is used mainly for domestic purposes).
- This includes both air and rail travel booked through the Company's travel provider in the UK and ROI; no data is currently available for Switzerland and Germany and travel in these two markets is believed to be minimal. Furthermore the drop in emissions from business travel is linked to a change in booking and reporting systems and not a result of business drivers. We will work to improve data accuracy and consistency in reporting.
- This year the Group was able to separate fuel used in hired vehicles from the overall fuel used by the delivery fleet; this would have historically been reported under Scope 1 – owned vehicles.
- Electricity transmission and distribution refers to the energy loss that occurs between the power station and the point of use.

Corporate social responsibility report continued

EMPLOYEES



ACHIEVEMENTS IN 2014

- Increased employee health reviews by PruHealth of 12.9%
- Introduced free weekly fruit baskets
- Launched a new corporate mission 'feeding the power of possible, one pizza at a time'
- Introduced an online application process for corporate opportunities
- Brought our induction process online

In last year's Annual Report and Accounts, we set ourselves a number of goals and we have taken great strides in the year under review towards achieving these.

Engagement and wellbeing

Working with our health insurance provider, PruHealth, we have promoted the health and wellbeing of our employees by providing access to its online interactive Vitality website. This tool encourages and rewards healthy behaviour, nutrition and physical activity and provides help in achieving a positive work-life balance. In 2015, we will be setting up awareness sessions with our employees to promote this further.

We strive to provide a happy and safe environment for our employees and on an annual basis our Happiness at Work team undertakes an annual employee survey to understand what improvements we can make. In addition, they look at work-life balance initiatives and provide opportunities for team colleagues to socialise through team days that encourage cross-team interaction and organise social events, most recently with the Head Office Christmas party.



WE CONSIDER OUR EMPLOYEES' WELLBEING AND HAPPINESS TO BE OF GREAT IMPORTANCE.

Performance and development

During the year under review, Domino's launched its global corporate mission, 'feeding the power of the possible, one pizza at a time'. This mission has, at its core, the ultimate goal to make Domino's the number one pizza company in every neighbourhood in which we operate.

With this philosophy, we embrace our belief in opportunity, hard work, inspired solutions, winning together, embracing community and uncommon honesty. This mission and these values will form the basis of our performance development and competency framework. Together with the happiness at work team, we will embed this mission into our culture in 2015 to ensure that we attract and retain talent.

Attracting talent

We aim to hire high calibre applicants through effective recruitment strategies. To ensure those applying to work with us have a positive recruitment experience, we have introduced an online application process which increases the speed and efficiency with which vacant and new jobs are filled. We have endeavoured to extend this experience by the introduction of a new online induction process that was launched in 2014. Each of these tools will be reviewed and adapted in 2015 in order to reflect and embrace our corporate mission.

OBJECTIVES FOR 2015

- Work with our health insurance provider to promote awareness of our health and wellbeing programme with our employees
- Work with the happiness at work team to embed the corporate mission into our culture
- Review and adapt our recruitment, induction, performance, development and competency frameworks to reflect the values and behaviours of the corporate mission



Read more online

corporate.dominos.co.uk/csr

COMMUNITY



ACHIEVEMENTS IN 2014

- Raised over £500,000 for charity:
 - over £380,000 for Rays of Sunshine;
 - over £100,000 for Special Olympics Great Britain;
 - over £15,000 for Northern Ireland Children’s Hospice; and
 - over £25,000 for Pennies.
- Boosted fundraising by strong engagement with Pennies through our apps
- Grew average weekly donation total from £6,000 in 2013 to £10,000 in 2014
- Our customers have raised over £1,000,000 since introducing Pennies in 2010

Every penny counts

We consider our place to be at the heart of the local community, not only providing quality products but also contributing to the surrounding area.

A crucial element in achieving this has been our charitable funding, where we support a number of charities working locally and nationally. We have a long-running partnership with the charity Pennies. Its digital charity box has enabled customers using our website and apps to round up their orders to the nearest pound. 2014 was by far the most successful year to date and, on behalf of the charities, we would like to pass on a big ‘thank you’ to our customers who have embraced Pennies in their millions.

We are proud to have been the landmark partner for Pennies and have seen this trend of online donations grow considerably since it began in 2010.

In Great Britain, our current beneficiaries are Rays of Sunshine (75% of donations) and Special Olympics Great Britain (20% of donations). In Northern Ireland, the Northern Ireland Children’s Hospice receives the full 95%.

Pennies receives 5% of all donations as a contribution to its charitable objectives and to drive the movement for the benefit of the charitable sector as a whole.

Following completion of the re-development of our ROI website we plan to implement Pennies in 2015, providing the opportunity to support a local charity.



OUR AIM IS TO BE A SUPPORTIVE PART OF THE COMMUNITY AND HELP FAMILIES THROUGH OUR CHARITABLE GIVING.

£500,000+

RAISED FOR CHARITY IN 2014

Our social impact

Rays of Sunshine was our main charity in 2014. This partnership has been embraced by our franchisees, store teams and support office employees, who all joined together to raise money.

Funds have helped to deliver wishes to seriously ill children such as Lauren. She was born at just 27 weeks and spent the first year of her life in hospital. Lauren lives with several health complications including a condition called short gut syndrome and her greatest wish was to be a mermaid for the day.

A limousine took Lauren and her family to the banks of Loch Lomond where she met Linden, a real life mermaid! Lauren was also treated to a special visit to Loch Lomond Aquarium and a princess tea at Cameron House Hotel.

After the wish Lauren’s mum said: “I can’t put into words what today has meant to us. No matter what the future holds for Lauren we will always have the memories of seeing Lauren run towards the mermaid and the look on her wee face. Thank you all so much for making Lauren’s wish come true.”

OBJECTIVES FOR 2015

- Solidify and evolve the charity programme in line with fresh business priorities
- Increase overall giving, aided by the introduction of Pennies into ROI

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