

Statement of non-financial performance 2019–2020

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EDITORIAL



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The year 2019-2020 was marked by the acceleration of the implementation of the Damartex Group's CSR policy. As we are convinced that business and sustainable development have become inseparable, we want to place CSR at the heart of our new model. We have called this strategic axis of our transformation: Change Our World. Our ambition is not to change the world but to make a contribution.

At the origin of this approach, we created, in 2013, an internal working group on Responsible Purchasing, with the support of an external firm specializing in this theme.

In 2014, we wrote our Damartex Way Sustainable Procurement Charter, a genuine commitment between Damartex and its partners focused on the respect of human rights, working conditions, environmental protection and the fight against corruption. This Charter is signed by the suppliers. We have also trained all our buyers in this theme, considering that their involvement was a guarantee of success.

In 2015, in line with these values, we joined the United Nations Global Compact to show our commitment to the 10 principles and created the position of CSO (Chief Sustainability Officer).

In line with this membership, we joined the Initiative for Compliance and Sustainability (ICS) in 2017 to work with our peers to sustainably improve people's conditions on the workplace and responsibly support suppliers, making them stakeholders in their own improvement process.

In 2018, the Group developed its non-statutory core purpose, "On Seniors' Side". Being on seniors' side also means committing to them beyond the business. It is on this commitment that we decided to create our corporate foundation. On Seniors' Side Foundation is an extension of our activity and it is a tremendous lever of motivation, pride, search for purpose and creation of synergy between us.

In September 2019, we joined the Fashion Pact, thus committing ourselves to reducing, together with the other players in the textile industry, our environmental impact on the 3 issues of climate, biodiversity and the oceans.

Through this Statement of Non-Financial Performance, we sincerely wish to demonstrate how we have identified the critical issues at stake in our business and begun to implement actions to limit our impact. We still have a long way to go, and our ambitions reflect our commitment to continuous improvement and transparency. ”

**Joséphine Biernacki,
Chief Sustainability Officer**



THE DAMARTEX GROUP

OUR KEY AND BUSINESS FIGURES

Turnover of
€686 million

3 hubs

HEALTHCARE
3 % DU CA

FASHION
73 % DU CA

HOME & LIFESTYLE
24 % DU CA

STORES 21% WEB 14% WHOLESALLES 2,5% MAIL ORDER 62% SERVICE 0,5%



178
POINTS
OF SALE

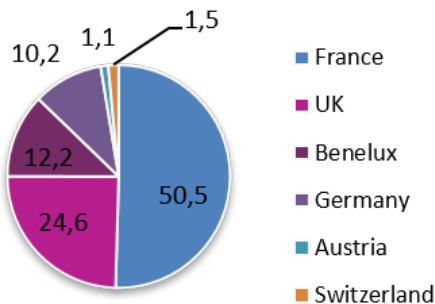


PLUS DE
600
WHOLESALE
PARTNERS

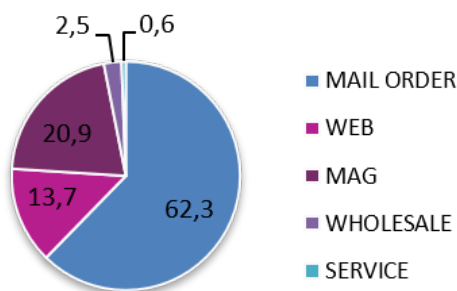


17
WEB
PLATFORMS

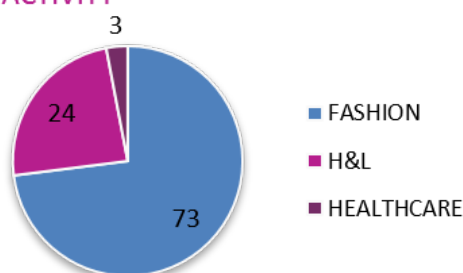
BY COUNTRY



BY CHANNEL



BY ACTIVITY



PRESENT IN



9 COUNTRIES

MOSTLY IN EUROPE



France, Belgium, Luxembourg, UK, Germany, Switzerland, Austria, Spain, The Netherlands

16 Business Units (BU)

Damart France, Damart Belgique, Damart UK, Damart Suisse, Damart Manufacturing Tunisie (DMT), Afibel, La Maison du Jersey, Xandres, SilverEdge (Sedagyl/Delaby), Coopers of Stortford, 3PAGEN, Vitrine Magique, Damartex Shanghai, Jours Heureux, DSB and Santéol.



FRANCE / AROUND 1700 EMPLOYEES

Damart, Afibel, La Maison du Jersey, Jours Heureux, Delaby

UK / AROUND 700 EMPLOYEES

Damart, Coopers of Stortford

BELGIUM / AROUND 350 EMPLOYEES

Damart, Xandres

GERMANY / AROUND 300 EMPLOYEES

3PAGEN, Vitrine Magique

TUNISIA / AROUND 200 EMPLOYEES

DMT (Damart)

CHINA / AROUND 10 EMPLOYEES

Damartex Shanghai

OUR ACTIVITIES

Since 2019, Damartex's strategy has been based around 3 hubs, which have grown considerably through its acquisitions. The "Fashion" division offers a ready-to-wear, underwear and shoes. The "Home & Lifestyle" division targets practical and useful objects for the home and for the person. The "Healthcare" division brings together the health product distribution brands that contribute to home care and Home Health Services (HHS).

Fashion & Prêt-à-porter 4 BRANDS

DAMART

Smart underwear and well-being prêt-à-porter

Me, cold ? Never ! Born from the Thermolactyl innovation in 1953, Damart is a heritage brand with an unparalleled textile expertise. Omnichannel and international, it works with renowned creators and wins over new customers, who are seduced by a range of premium services : click&collect, e-bookings, personal shoppers, etc.

AFIBEL

55+ and plus size elegance

Founded in 1978, Maison Afibel has a selection of beautiful novelty and stylish articles, which are regularly renewed throughout the season. With a high customer loyalty, Afibel's clients appreciate the quality of morphological fashion, covering a wide range of sizes and the quality of a privileged interaction with the brand.

XANDRES

High-end fashion for young seniors with the highest standards

Xandres is more upscale and selective. She mainly sells in stores, wholesale and develops her website.

LA MAISON DU JERSEY

Timeless chic

A niche brand, close to the specialised « boutique » approach, La maison du Jersey proposes quality collections to women who love a resolutely elegant prêt-à-porter, and who can't or prefer not to go in-store.



Home & Lifestyle 5 BRANDS

VITRINE MAGIQUE

A host a gift ideas

Vitrine Magique has a wide range of useful, fun, decorative and unique objects for the kitchen and garden. A range of « great ideas at low prices » to treat yourself or someone else.

3PAGEN

Decoration, kitchen and well-being deals

Based in Germany, 3Pagen has been one of the distance seller leaders for kitchen, decoration, home and well-being items since 1954. The 3Pagen collections are sold in Germany, Austria and Eastern Europe through « Magnet 3Pagen ».

COOPERS OF STORTFORD

Traditional service, great value and fantastic ideas

So British ! The company, which was founded in 1995 by Neil Cooper, sells innovative items for gardening, well-being, leisure, health, decoration and cookware. With its 140 employees, over 90% of its sales are carried out via its e-shop and catalogue, and they also have a flagship store in Bishops Stortford, near London.



JOURS HEUREUX

100% made in France Happy biscuits & sweet treats

Since 1979, Jours Heureux have explored the sweet and savoury culinary heritage of our regions searching for gourmet products which are 100% made in France, made using natural ingredients and without any preservatives.

DELABY

Everything to facilitate the lives of over 55-year-olds

Delaby improves the daily life of seniors with ingenious products which make life easier, more beautiful and more comfortable on a day-to-day basis.

Healthcare 2 BRANDS

SEDAGYL

The partner brand for older seniors

Sedagyl's mission is to facilitate the happy home support of people with loss of autonomy. The brand has the ambition to become one of the leading players in the distance selling of products and services to help and support the maintenance of Seniors at home.



SANTEOL

Specialist in the home care services

Offering therapeutic solutions to improve the health of each of its patients is a daily struggle that Santéol carries out in its care activities for patients suffering from chronic or acute respiratory disorders.

OUR VALUE CREATION MODEL



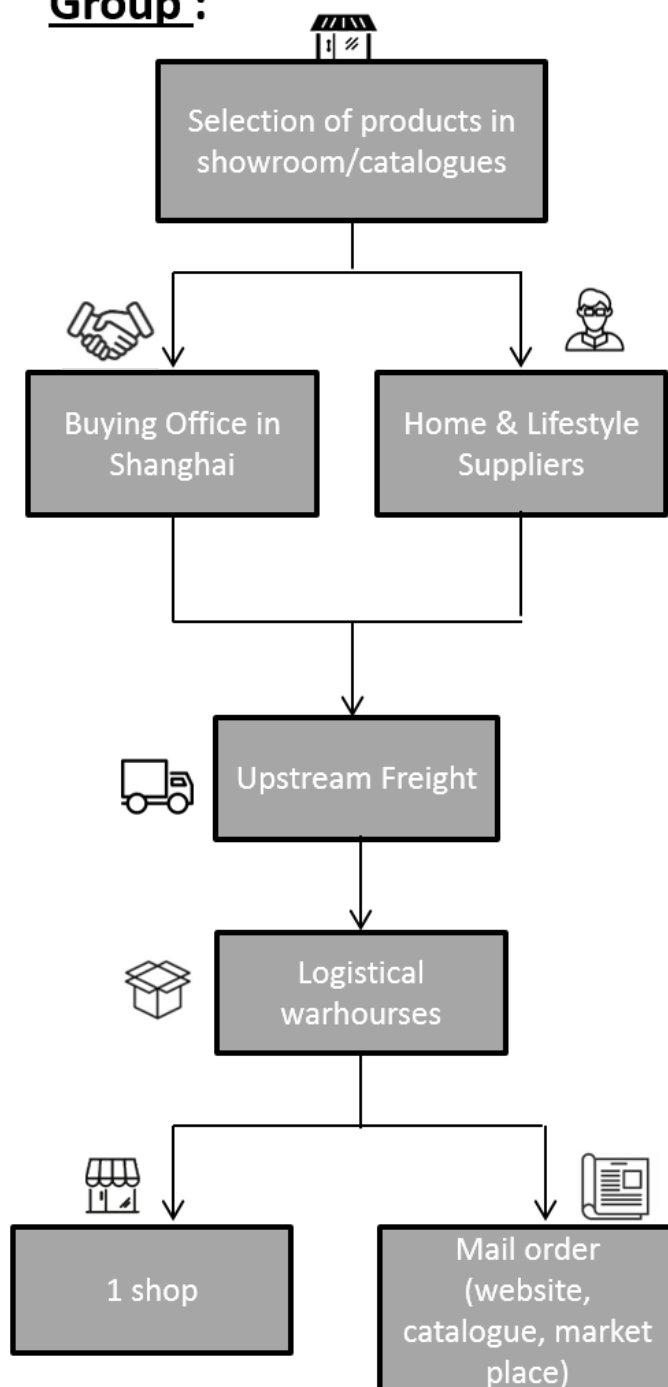
DAMARTEX LEADER ON THE SENIORS MARKET

55+

NATURAL RESSOURCES

FINANCIAL	Capital:	103 M€
	Distribution of the investment:	82,2% family, 11,25% public, 6,55% treasury shares
	Financial debt:	43,8 M€
HUMAN	Employees:	3 574 persons (representing 3 292 FTE)
MANUFACTURING	Production facility:	1 facility owned by Damart in Tunisia (192 persons)
	Suppliers:	1 105 tier 1 suppliers
INTELLECTUAL	Technological innovations :	A team of 4 expert engineers in R&D (Damart)
NATURAL	Energy:	38,5 GWh for the energy use of the buildings
	Use of plastics for packagings:	1500 tons of plastics used
	Natural ressources consumption in the production chain.	
RELATIONAL	Distribution network:	178 shops owned by the Group (0 franchisee)
	Damartex's Foundation:	On Seniors' Side Foundation

The core purpose of the Group :




NB: Santéol is not included in the scope this year (acquisition at the end of 2019)

Home & Lifestyle Activity

Source : McKinsey

Source : Study from the European Commission

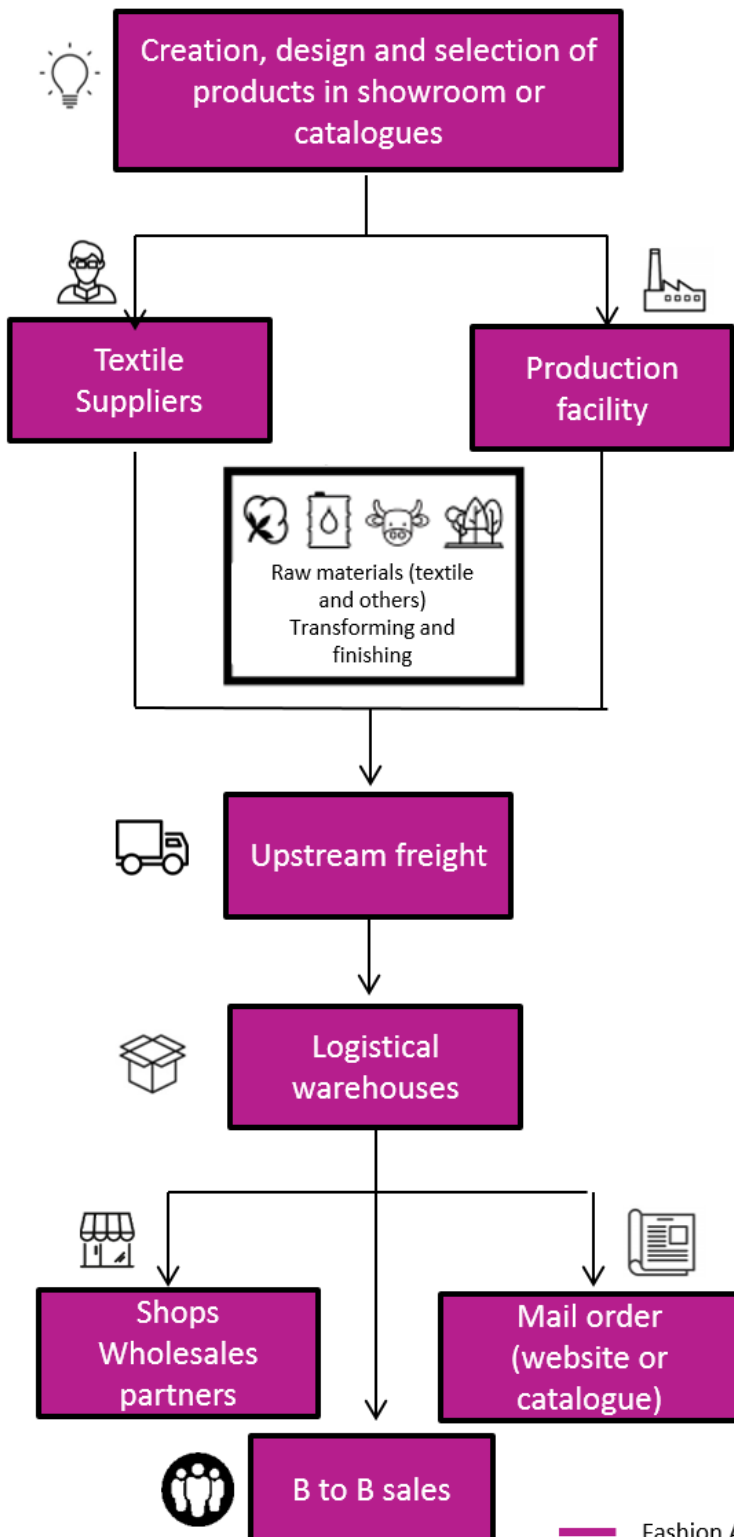
TRENDS OF A GROWING MARKET

 **60%**
Of the increase of the consumption expenditure by 2030 will be generated by people aged over 60.

2 billions 
Of senior people in the world by 2050

5 700 
Billions of euros of turnover will be realised by the Silver Economy actors by 2025

On Seniors' Side

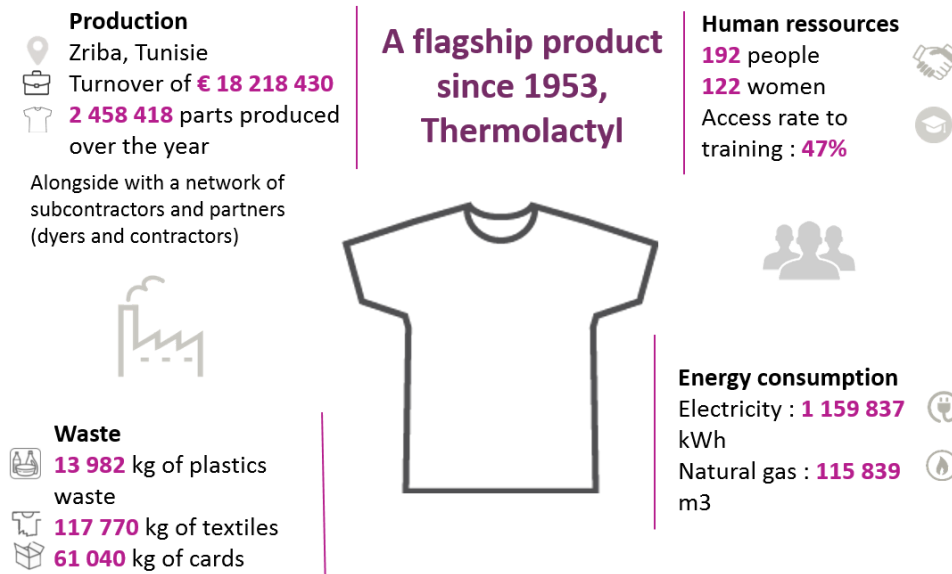


CREATED VALUE

FINANCIAL	Turnover:	686 M€
	Dividend:	0€
	Products sold:	37,1 M€
HUMAN	Survey on workplace wellness:	85% of the people satisfied
	Access training rate:	43% (Damart, exercise 2018-2019)
	Proportion of women:	77%
MANUFACTURING	CAPEX:	12,6 M€
	Products manufactured in audited factories:	61,5% (Damart), 19% Afibel, 4,4% 3PAGEN and 36% Coopers of Stortford
INTELECTUAL	Technological innovations :	5 patents (Damart)
NATURAL	Carbon footprint generated by the activity:	553 300 tons CO2eq
	Amount paid to the eco-organizations:	1,3 M€ for the plastic packagings, paper, and textiles (French brands)
	Pollution in the oceans and biodiversity.	
RELATIONAL	Customer satisfaction:	NPS Damartex: 31,1
	Projects supported by the Foundation:	39 projects
	Sectoral commitment:	Ambassador of the Global Compact, signatory of the Fashion Pact and ICS member

DAMART SPECIFICITY : AN OWNED PRODUCTION IN TUNISIA

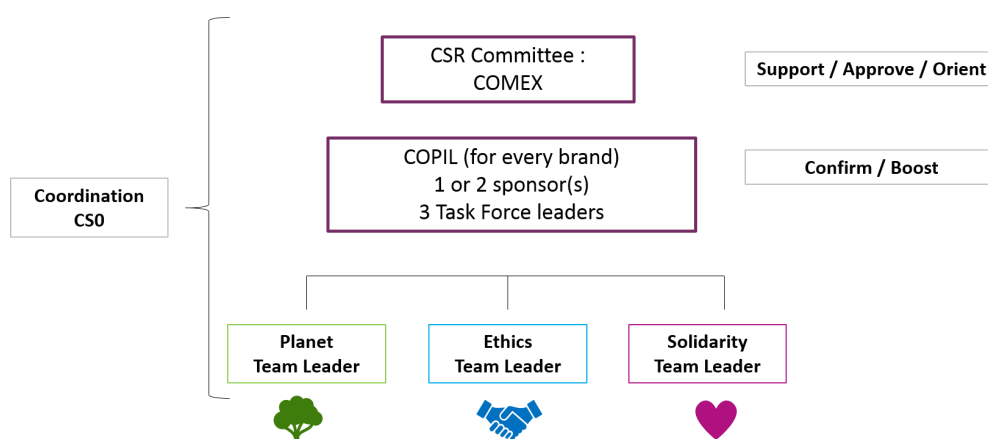
For the underwear line, Damart has a specific model : designer, manufacturer, retailer and owns its production facility in Tunisia.



CSR GOVERNANCE

A **CSR Committee** has been created and set up within COMEX. Its role is to support the Group's CSR strategy and to approve the orientations of the approach.

The **Chief Sustainability Officer** (CSO) defines the Group's CSR strategy with the CEO, steers and coordinates the action plans implemented and adapted to each company. It reports on the progress of the transformation to the CSR Committee. It also facilitates dialogue both internally, with sponsors and team leaders in particular, and externally with stakeholders, for example. **Sponsors** are intermediary players appointed by each brand, responsible for developing and implementing action plans in line with the Group's strategy. **Team Leaders** build and manage project teams within the company, set the framework, and communicate on the progress of projects. They are business experts.



STAKEHOLDER MAPPING

The Damartex Group, a family business, is convinced that its current and future success is based on a sustained dialogue with its stakeholders in order to gather their expectations and identify its areas of progress in environmental, social and societal matters.

The Group has chosen to decentralize the implementation of its various modes of dialogue. It is therefore up to the different business lines of the different brands to set up the most relevant exchange tools with regard to the specificities of each stakeholder.

SUPPLIERS/AGENTS

To ensure the traceability of the products and to reinforce the quality of the supplier relationship, Damart has created an online portal as an exchange space between the brand, the agents and the suppliers. It aims to steer their contractual, commercial and ethical relationships. The extension of this practice to other brands is under consideration. The Group conducts audits to check the working conditions and environment at suppliers' and the health risks associated with the products. These actions are an opportunity to exchange and work on these subjects with suppliers.



CUSTOMERS

On a daily basis, Damartex employees are in direct contact (in stores, in call centres) with nearly 40,000 seniors in Europe.

All mail order brands have a call centre, a genuine space for exchanges and customer feedback. Damartex has created a specific space to welcome its customers and listen to them: The Customer Lounge. They can thus give their opinion on products, stores, catalogues, etc.

Brands have many exchanges by mail and on social media and customer requests are relayed internally to the most relevant departments.

EMPLOYEES

In 2017, the Group conducted a survey on the Quality of Worklife. This survey was an opportunity to give a voice to all the group's employees and thus allow them to express themselves in complete confidentiality. Annual follow-up questionnaires are being rolled out.

In addition, the yearly development discussions are an opportunity for each employee to take stock with his or her manager of his or her development within the company and its projects.

Different information channels: meetings, newsletters, internal social media allow each employee to access essential company information.



ASSOCIATIONS,NGOs AND INITIATIVES

The Damartex group is a stakeholder and actively participates:

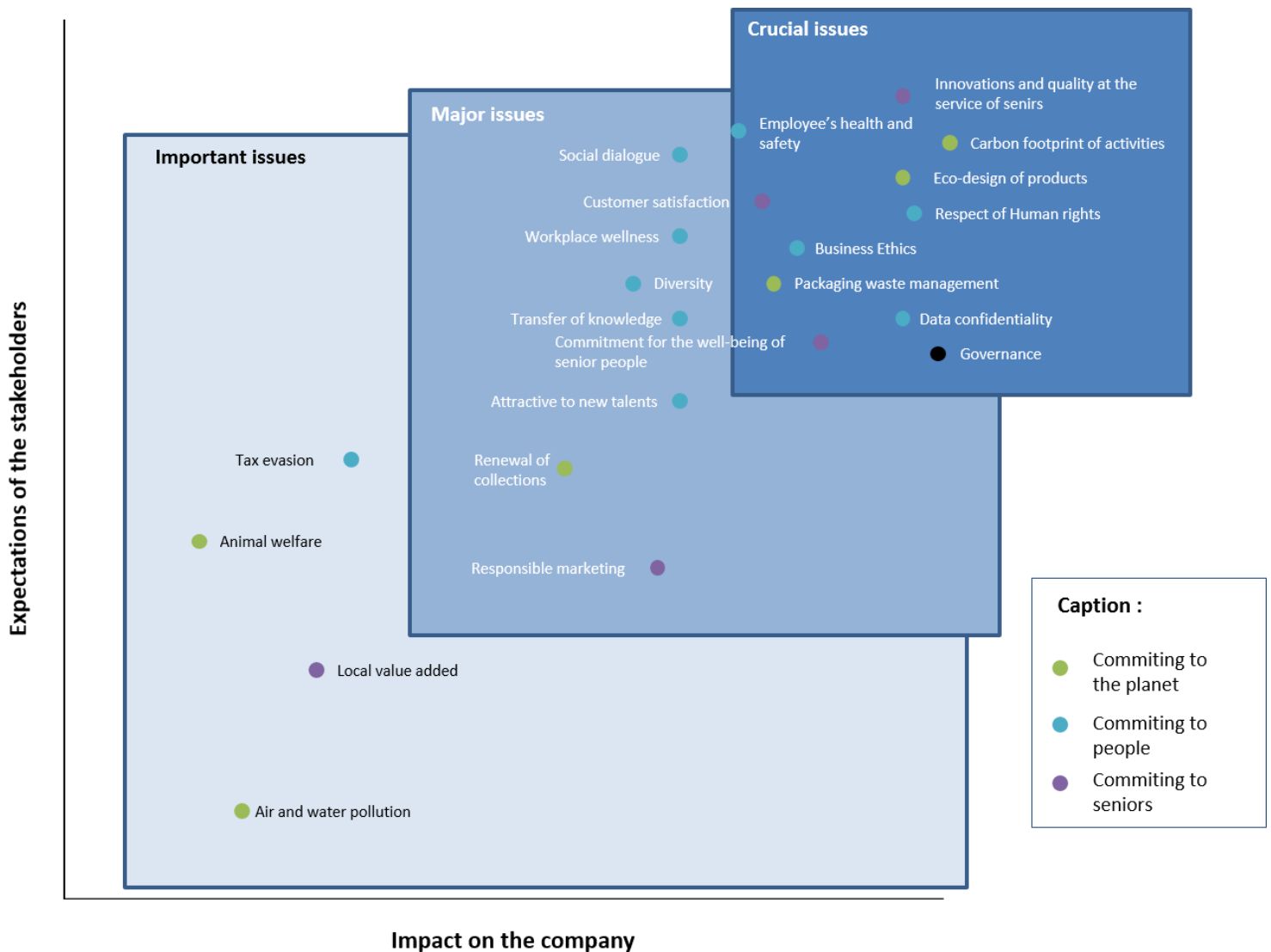
- in the World Forum (an annual reference meeting for international players in corporate social responsibility), as a corporate partner since its creation in 2008;
- in the United Nations Global Compact as a member since 2015, and as a corporate ambassador for the Hauts de France region since 2019;
- in the ICS (Initiative for Compliance and Sustainability) since 2017 and member of its Steering Committee since 2019; and
- in the Fashion Pact since 2019.

DAMARTEX ISSUE MAPPING

A methodology in 3 steps:

- Identification of the main CSR issues (major risk analysis, sector analysis, benchmarks, and international reference system, etc.)
- Prioritization of topics by external stakeholders according to the importance of the topics to be addressed for a group such as Damartex and by internal stakeholders according to the current and potential impact of the topics on the Group's activities;
- Detailed review and final validation of the matrix by the Chairman of the Management Board.

The materiality matrix presented below highlights the actions on which Damartex should focus in priority. Validated by the Chairman of the Management Board, it will serve as a tool for dialogue during future stakeholder consultations, in line with the CSR strategy - Change Our World - and the actions to be taken.



CHANGE OUR WORLD : AXE DU PLAN DE TRANSFORMATION

COMMITTING TO THE PLANET

CSR challenges:

- Carbon footprint of activities
- Eco-design of products
- Packaging waste management

Performance :

- **553,300 tonnes of CO2 eq** released by the Group
- **19%** of references classified as eco-responsible products
- **1,500 tonnes** of plastics released by the Group

Ambitions :

- Carbon footprint reduction of **30%** by 2022, neutrality by 2030.
- **25%** more responsible supply by 2022, 100% by 2030.
- **Zero** single-use **plastic packaging** by 2022.



COMMITTING TO PEOPLE

CSR challenges:

- Employee satisfaction
- Respect for human rights
- Respect for human rights

Performance :

- **85%** employee satisfaction
- **61.5%** (Damart), **19%** (Afibel), **36%** (Coopers), 4.4% (3PAGEN) of the volume of purchases come from audited factories

Ambitions :

- **100%** of employees committed to CSR by 2030
- **80%** of purchasing volume from audited factories by 2022 and 100% by 2030



COMMITTING TO SENIORS

CSR challenges:

- Innovation and quality at the service of seniors
- Customer satisfaction
- Inter-generational solidarity for the well-being of seniors

Performance :

- **25%** of Damart sales achieved through innovation
- **31.1:** customer recommendation rate for the Group's brands (NPS)
- **39** projects sponsored by the On Seniors' Side Foundation

Ambitions :

- Propose an inclusive, state-of-the-art offer for the 55+..
- **Target an NPS at 50** by 2022.
- **100 projects** sponsored by the On Seniors' Side Foundation.





PART 1 :

Committing to the planet

Ambitions :

- Measuring and reducing the Group's carbon footprint.
- Eco-design:
 - Design more responsible textile products.
 - Transform the Home & Lifestyle product offering into a sustainable offering.
- Reduce single-use plastic packaging.

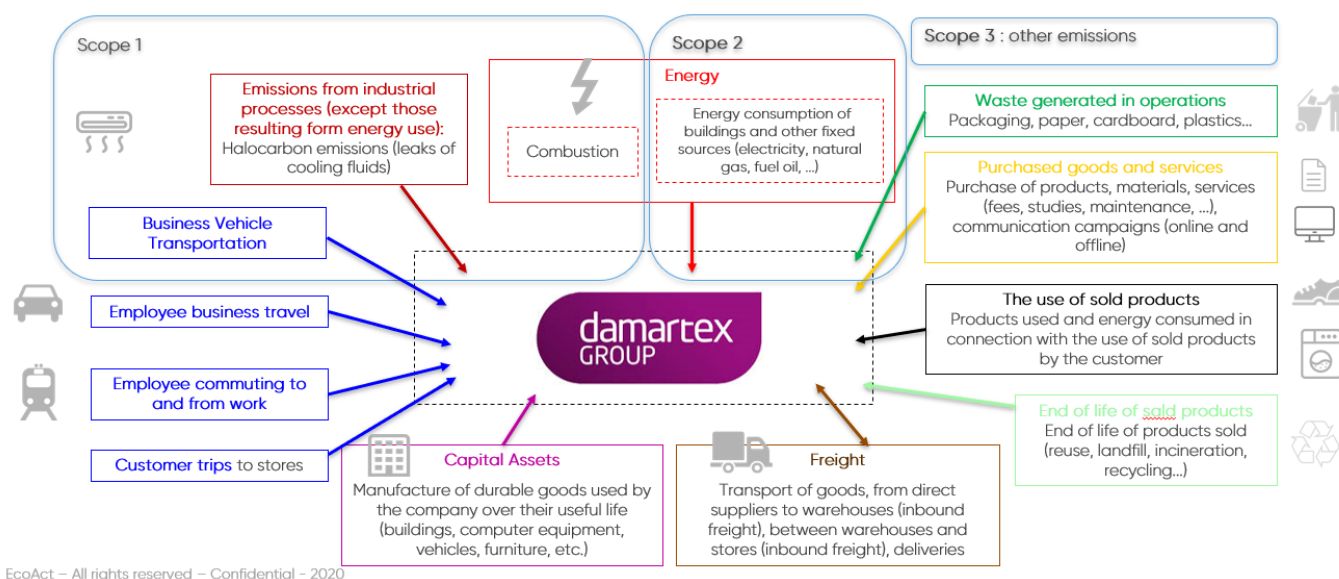
By 2022: 25% of our offer more responsible, 30% reduction of the carbon footprint.

By 2030: Zero single-use plastic packaging, and a 100% more responsible and carbon neutral offer.



CARBON FOOTPRINT OF ACTIVITIES

In March 2019, the Group carried out a Greenhouse Gas Balance in accordance with the 2019 GHG Protocol(1) based on data from the 2018-2019 financial year. An analysis covering scopes 1, 2 and 3 was preferred to better identify the impacts and build targeted action plans (excluding Santéol).

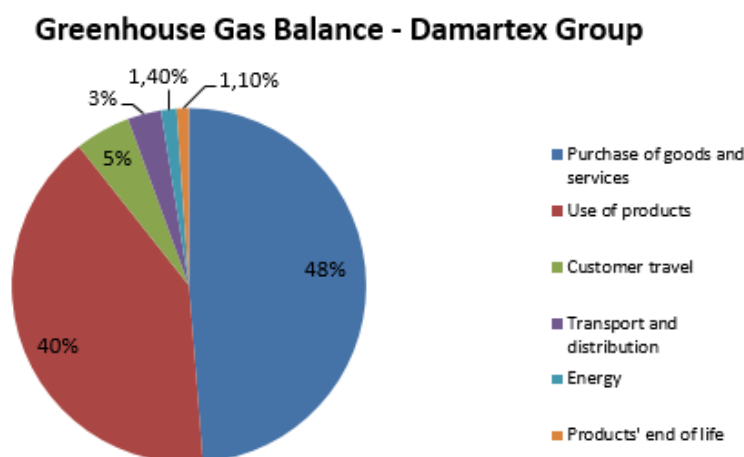


The Group released **553,300 tonnes of CO₂ eq, or 25 kg of CO₂ eq per unit sold** over the 2018-2019 financial year, based on the ambition to reduce emissions by 30% by 2022.

MAIN IMPACTS IDENTIFIED

The environmental impacts associated with the Group's activity are mainly due to greenhouse gas releases related to the life cycle of products: raw materials, manufacturing, use and end-of-life at customers', which account for more than **88% of emissions**.

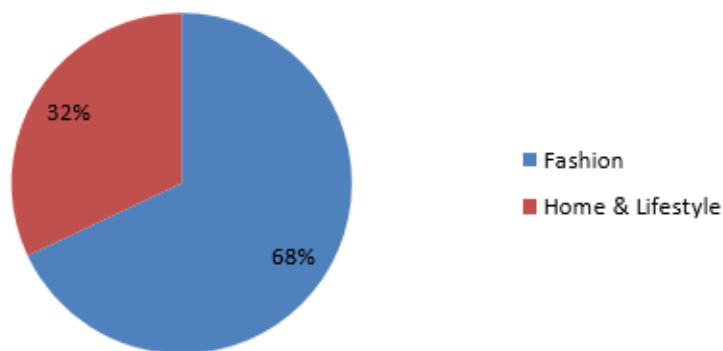
The next largest emission categories are **customer travel, transport and distribution of products and energy**, which account for 5%, 3% and 1.4% of emissions, respectively.



(1) GHG Protocol: GreenHouse Gas Protocol

Fashion brands account for **68%** of the carbon impact compared to **32%** for Home & Lifestyle brands.

Breakdown of the Group's carbon impact



CUSTOMER TRAVEL

The impact of customers' travel to stores is equivalent to **30,100 tonnes of CO2 eq.** The digital transformation of the Group is one of the strategic axes and will thus limit this impact. The measurement of the impact of this digital transformation will then be analysed.

TRANSPORT

Transport and logistics to deliver products have an impact equivalent to **14,900 tonnes of CO2 eq** at Group level. Transport is divided between upstream and downstream transport.

- Upstream transport :
Upstream transport covers the flow of goods (road, sea or air) between suppliers and the Group's warehouses. The seaway, which is economical and has a reduced environmental impact (lowest ratio of tonnes of CO2 eq/ tonne.km), is by far the preferred mode of transport for intercontinental links for all the Group's brands.
- Downstream transport :
Downstream transport concerns supply flows from warehouses to points of sale. This freight is entirely transported by lorry. The rate of replenishment is controlled by the Group, but delivery is handled by third-party service providers.

ENERGY

Energy (buildings and own vehicle fleet) has an impact equivalent to **7,700 tonnes of CO2 eq.** The Group's main sources of energy consumption are store lighting, the operation of heating and air conditioning systems and the power supply for IT systems.

In order to reduce the **carbon impact**, action plans are currently being drafted, but the priority areas for action have been identified and strong ambitions have been set : sustainability and end-of-life of products, reduction of packaging.

ECO-DESIGN OF PRODUCTS

All of the Group's Fashion brands are gradually implementing an eco-design approach with a view to reducing the impact of products on the environment.

In this context, Xandres has joined the Close the Loop(2) initiative as an ambassador for the implementation of a circular approach.



CLOSE THE LOOP
A GUIDE TOWARDS A CIRCULAR FASHION INDUSTRY

The Group has defined **the framework for products falling into the responsible product category**, which takes into account the materials, manufacturing processes, origin, use and end of life of the products. All brands try to lower the impact of products by acting on one or more of these steps.

MORE RESPONSIBLE RAW MATERIALS

In order to guarantee the absence of harmful chemicals at each stage of the manufacturing process, Damart has chosen STANDARD 100 by OEKO-TEX®. It is a voluntary process that certifies and labels products, thus providing assurance that the articles tested and certified do not contain harmful substances in quantities that could be harmful to health.

Initiated on the Damart underwear range produced in Tunisia in the DMT factory, it has been extended to all suppliers producing underwear for Damart. Thus, DMT has its own STANDARD 100 by OEKO-TEX® certificate issued by IFTH.

*Results: **99 references sold (including 9 for children)** are certified for 2019-2020 (61 references certified for 2018-2019), i.e. 57% of the sales of the underwear range.*

The objective is to be at 100% on the underwear range for the winter 2021 collection.

Training on the requirements and opportunities of OEKO-TEX® certification was delivered to the quality, R&D, purchasing and CSR teams on 11 February 2020.

An **analysis of raw material consumption** shows that cotton (1,514 tonnes) and polyester (1,275 tonnes) were the top product composition material of the **Damart and Afibel** textile brands in the 2018-2019 financial year. There are no virtuous alternatives, but the teams are working on more sustainable solutions, such as GOTS(3) certified cotton, GRS(4) certified recycled polyester and alternative materials such as silk, linen, lyocell...



(2) <https://www.close-the-loop.be/fr>

(3) GOTS: Global Organic Textile Standards

(4) GRS: Global Recycle Standards

Damart's R&D department has clearly identified the environmental challenge of Thermolactyl products mainly based on polyester and is working on innovation:

- Industrial use of materials of recycled origin (with recycled polyester contents) on a large part of the Thermolactyl® underwear range.
- Development of Damart Sport products incorporating fibres of recycled origin (with recycled polyester or recycled polyamide contents).
- Continued research to introduce fibres of recycled origin in all textile and footwear ranges.
- Tests in progress on the recycling of Thermolactyl cutting scraps at Damart Manufacturing Tunisia.

Training in eco-design has been provided to raise awareness among **Damart and Afibel** product teams (R&D team, product managers, stylists and quality teams) on alternative sustainable materials, more virtuous manufacturing processes, the importance of considering recyclability upstream of the creation of a product, the certification of labels...

An Ecocert training course on the certification of the GRS and GOTS labels took place on 27 July 2020 for the purchasing, quality, R&D teams...

ANIMAL WELFARE

- **The Group's Fashion** brands have been committed for several years to refusing any use of animal fur in their collections.

Damart wants to go further in its responsible approach and has banned Angora wool since 2018.

- **For the Home & Lifestyle brands**, all the beauty product ranges comply with the European regulations in force concerning animal welfare.

3 PAGEN prohibits the distribution of wool products from Australia due to the practice of mulesing, Angora wool and goose feather products due to raw plumage.

FAVOURING EU ORIGIN



As it is aware of the importance of its impacts throughout its value chain and anxious to reduce them, the Group has considered that the European origin of products falls into the category of responsible products.

Thus for **the Home & Lifestyle business**, **5% of the collections** come from the European Union.

For the Fashion division, **Afibel** has chosen to make it a real axis of differentiation and orientates its sourcing in Europe, **56% of the collection's references** are manufactured in the European Union.

Overall, **19% of the products in the 2019-2020** collections fall into the eco-responsible product category according to the framework set by the Group, particularly in terms of raw materials and origin.

The objective is to reach 25% by 2022.

PRODUCT USE AND END OF LIFE

The end-of-life and use of products by end customers have a strong environmental impact.

USE OF PRODUCTS

- **For Fashion products**, customers wash, tumble dry and sometimes iron the products. They thus consume energy, water and detergents that have an impact on the environment.
- **For Home & Lifestyle products**, the use of electrical and electronic products requires significant energy consumption.

The Group is therefore trying to raise its customers' awareness of this issue by recommending lower temperature washing and line drying for textiles. In Home & Lifestyle, brands are offering more and more products that consume less energy in their use: solar energy, led lights...

PRODUCTS' END OF LIFE

Damart, Afibel and SilverEdge are historical members of the **REP** (Responsabilité Elargie du Producteur - Extended Producer Responsibility) **Eco TLC** (Textile, Household Linen, Footwear) stream, **Damart** is also one of the partners and since this year is a permanent guest on the Board of Directors. Through their eco-contribution, these brands have been instrumental in the transformation of the textile industry towards the circular economy, with priorities such as innovation, eco-design, environmental signage and the integration of recycled materials from used TLCs.

The amount of the TLC eco-contribution for the Group's French brands for 2019 reached € 244,107.

Damart tries to raise awareness of this end-of-life issue among its customers. Thus, the brand has committed alongside other brands in the #RRR communication campaign initiated by the organization Eco TLC from 5 to 13 October 2019, to talk about the repair and 2nd life of clothing and shoes on its website and in social media (Facebook, Instagram, Twitter). For the next campaign in October 2020 **Afibel** will join the initiative.

POLICY OF NON-DESTRUCTION OF PRODUCTS :

All of the Group's brands seek to optimize the use of unsold products at the end of the collection, and thus avoid any destruction.

Rate of unsold products by brand excluding Xandres (for financial year 2019-2020) (5)

DAMART	AFIBEL	3PAGEN	COOPERS OF STORTFORD	SEDAGYL	DELABY
4%	1%	7%	3%	21%	8%

- **For Fashion brands**, overstocks are either resold via internal channels (stores, package inserts, bargain websites) or externally (discount stores, pound stores...) or donated to associations (Restos du cœur, Secours Populaire and the Red Cross), or offered to employees at a discount when internal jumble sales are organized.

During the financial year, none of the Fashion brands resorted to the destruction of unsold 1st choice products.

For 2nd choice (non-compliant) products following quality controls at reception or customer returns, **Damart France** has formed a partnership with the Solidarité association which works for professional inclusion, digital inclusion, equal opportunities and entrepreneurship in Roubaix.

(5) Percentage of unsold products in relation to the total number of products sold during the period.

Damart delivers nonconforming products to Solidarité (**6,782 pieces** over the year) which sorts and resells articles with minor defects. Products with major defects are used to make tote bags for stores in France. Similarly, Damartex UK donates its products to the Bradley Mill Association (1,234 products).

- **For the Home & Lifestyle brands**, unsold products are carried over to the next season, sold via discount stores or, as for the Fashion brands, in special offer and bargain clearance catalogues. Non-reusable returns are sorted and treated in accordance with the waste treatment regulations in force in the countries concerned.

Recycling of products:

The recycling of materials is one of the major challenges of the textile industry.

Fervently committed to innovation, **Damart's R&D team** has been thinking about recycling the Thermolactyl blend, Damart's flagship product. To create and produce Thermolactyl underwear, the DMT plant uses "scribbled", technical, value-added blends. In order to recycle production "scraps" (offcuts, nonconforming offcuts, etc.), studies have been initiated to recycle offcuts from the main mix. The objective is to find solutions and applications that will allow these components to be valued at the height of their performance. Tests are currently underway for various transformation options. This first step will create value and learning: to address, in a second step, the post-consumer recycling of products and find the keys to deal with the complexity of this subject (collection, identification and sorting, flow, transformation, recycling...)

Under the impetus of the R&D teams, faced with the Covid-19 health crisis, **Damart** has chosen to use dormant stocks of yarn and knitwear destined for scrap to manufacture reusable masks for the general public. Thanks to a real cross-department collaboration (R&D, model making, commercial and industrial), the energy and involvement of the teams, a mask produced in the Damart factory is now available. Adjustable, and category 1 approved, it can withstand up to 50 washes. 50,000 masks have been produced to date saving from waste: 1,800 kg of yarn and 600 m of knitwear. A new production of 50,000 masks is already being manufactured for next winter.

Damart France, in partnership with SolidarCité, has entrusted the production of tote bags to the Roubaix-based association Amitié Partage, which helps women who are far from employment to reintegrate into society. Each bag is unique, designed and handcrafted from the defective products thus saved from destruction. These bags are offered for sale in the stores to the benefit of Amitié partage. **Several hundred tote bags** have been made by the Amitié Partage association over the financial year, thus avoiding the disposal of defective products.

PRODUCT SUSTAINABILITY

The policy of Home & Lifestyle brands consists in promoting the environmental aspect of certain products: alternatives to plastic products, insecticides, industrial household products, electrical products...
The Group's Fashion brands are committed to a more responsible and sustainable approach to fashion, as opposed to Fast-Fashion, by offering quality clothing made to last.

Collection carry forward rate (permanence of key references) by brand for the Fashion business (6)

DAMART	AFIBEL	XANDRES
60%	59%	15%

(6) Number of references carried forward in relation to the total number of references in the collection.

PACKAGING WASTE MANAGEMENT

The packaging of products for their supply and marketing in stores or for mail-order sales requires different types of packaging which ultimately constitutes waste. This waste is mainly plastic, paper and cardboard. Hazardous waste represents a very marginal volume.

The Group's French brands are members of CITEO (REP stream for packaging) and thus participate in the deployment of the packaging recycling industry. The amount of eco-contributions concerning packaging for the financial year stands at: € 231,054.

The Damartex Group has decided to focus on reducing the use of plastic with an ambition to reach 0 single-use plastic packaging by 2022.

Over the 2019-2020 financial year, **1,500 tonnes of plastic** were used by all the Group's brands.

This is mainly:

- Polybags to protect products coming from suppliers,
- Shopping bags given at the tills,
- Shipping bags for shipping to e-commerce customers, and
- Plastic film that wraps mailing shots and catalogues.

Brands are working towards removing plastic packaging from their processes. Several measures to reduce their use have been put in place:

- **Afibel and Damart** have joined a multi-brand working group on the elimination of plastic packaging to think, work together and exchange best practices.

The first shipping tests of products without polybag or made of biodegradable and compostable material have been carried out by the marketing department of Damart France (purchase of gifts). To date **130,000 products** have been delivered with biodegradable and compostable packaging, or cardboard. The first deliveries of products without packaging, with only a kraft band, will take place this winter (**685,000 items**).

- **The Group's Fashion brands (Damart - Afibel - Xandres)** have eliminated single-use plastic bags in stores and replaced them with kraft bags or tote bags.
- **Home & Lifestyle** brands are working on the removal of plastic films from mailing shots and catalogues. **Coopers of Stortford** has set up the shipping of **1.2 million catalogues without plastic film** for the spring-summer 2020 season and is carrying out a test this winter 2020 of sending 1 million mailing shots under biodegradable film. Capitalizing on this success, 3PAGEN is testing the sending of non-filmed catalogues in the winter of 2020.
- **Coopers of Stortford** is well on its way to replacing customer shipping bags with fully recyclable PE plastic (100% by August 2020).

The DMT production plant, which is particularly keen to minimize the impact of waste related to its production activity, has implemented a major waste reduction plan. The tonnage of the plant's main waste products (textile, cardboard and plastic) decreased by 14% over the financial year:

- 16% reduction for textiles
- 11% reduction for cardboard
- 4% reduction for plastic

The shutdown of the DMT plant during the Covid-19 pandemic may have had a slight impact on this development.





PART 2 :

Committing to people

Ambitions :

- Developing the core capital, people, and CSR culture at the heart of the Group and its ecosystem
- Working in long-term partnership with suppliers who share the Group's ethical requirements
- Applying the principles of fair practices and ethical communication.

By 2022: 80% of products coming from socially audited factories

By 2030: 100% of our products coming from socially audited factories and 100% of employees committed to CSR.



HAPPY AND TALENTED EMPLOYEES

Over the last 18 months, the Damartex group has gradually embarked on a transformation process by reinventing its operating methods. This approach depends on the men and women who make it successful every day.

The Damartex Group had **3,574 employees** on 30 June 2020.

- 87% permanent contracts
- 27% part-time

By privileging the autonomy and fulfilment of its employees, Damartex's ambition is to gain every day in performance and agility. This requires the development and strengthening of a recognized employer brand, the ability to detect talents and help them grow by supporting them and enabling them to develop in a secure environment, where it is pleasant to work and where everyone has a chance.

EMPLOYER BRAND

The financial year was marked by multiple initiatives aimed at raising awareness of the identity of the Damartex Group and its brands:

- **By reflecting on the Group's employer promise**, which is currently being drafted.
- **The development of the new website** with a career page (<https://damartex.com/contact/>) that highlights the retail jobs and the Group's specificities, and disseminate its job offers.
- By **launching communication campaigns** aimed at the general public to promote job offers via social media (LinkedIn).
- By developing relationships with schools: presentations in higher education cycles mainly to raise awareness of the retail jobs and the Group's international presence to young graduates.

In this context, in September 2019, Damart launched a Design Thinking challenge to Edhec students: Make Thermolactyl a more responsible experience. They rose to the challenge with brio! Five projects took part in the final round which took place on 31 January, of which two were awarded prizes:

- « **From Bottle To Thermolactyl** » received the Jury Prize (collect plastic bottles to make Thermolactyl made of 30% recycled plastic).



- « **Damart Warms You** » won the People's Choice Award (pack the Thermolactyl with a pack that can be planted into the ground).



- By setting up a **system of cooptation** thanks to a specific app: Connect. It helps develop cooptation but also increase the Group's visibility on social media by illustrating the values, actions and engagement of the teams in customer satisfaction.

RECRUITMENT POLICY

Within the Damartex group, our employees are curious, involved, versatile, creative and autonomous. More than a diploma and beyond a profile, the Group's brands are recruiting personalities who will be able to take part in its transformation.

All the brands are committed to applying an equal opportunity policy at all stages of recruitment and selection and to promote internal mobility.

In April 2019 for the first time all employees had access to all the Group's job offers, the first transfers between Damart and Afibel took place. The international mobility procedure has been drafted and a mobility charter is being drawn up.

- Group turnover rate: **9.18%**
- Number of permanent hires during the 2019-2020 financial year for the Group: **249**

TRAINING POLICY

The acquisition and development of skills are essential levers for the success of the Group's transformation strategy. Thus each brand offers everyone all the keys to their success by providing a number of training schemes to develop their skills. To deliver these training sessions, each brand uses external service providers who are experts in their fields, but also internal trainers who are keen to share their know-how.

Individual training needs are identified during annual interviews with managers, while collective training needs within a department or across a brand or group are defined during a training review. The training plans are then built, the budgets arbitrated and validated, and the training courses given.

Among the collective and cross-functional training courses, this year we can note the training on the Sapin II anti-corruption law, MS Teams training, eco-design training and training for sales teams.

This year Damart focused on developing a common culture within the French, Belgian and UK entities. In order to contribute to the development of this common culture among employees, the brand has developed the One Damart attitude based on openness, attention and agility. The implementation of this One Damart attitude is based on postures and 3 roles: cooperative, inspiring, and entrepreneurial. All managers have been trained to this One Damart attitude.



- Rate of access to training (Damart and 3PAGEN - 2018-2019 financial year): **43%**
- Number of employees having at least one training course (Damart and 3PAGEN - 2018-2019 financial year): **1,295**

Because of Covid-19, the rate of access to training could not be calculated over the financial year just ended. Exceptionally, the Group will communicate on Damart and 3PAGEN data for the previous year.

WELLBEING AT THE WORKPLACE

The challenge of well-being at work is a sine qua non condition for the future of the Group, a guarantee of performance, competitiveness, but also of attractiveness towards new talents. For the Group, the definition of quality of work life is a voluntary and sustainable corporate approach that aims to reconcile employee fulfilment and the collective performance of all brands.

Nine elements are taken into account in measuring this quality of life: the purpose, content of assignments, role, recognition, atmosphere, working conditions, processes, work-life balance and sense of belonging. In 2017, Damartex carried out a survey on well-being at work with the aim of carrying out an inventory of the elements as close as possible to the teams. This survey covered all Group employees, on a confidential basis. The overall Group satisfaction rate obtained at the time was **85%**.

In order to measure employees' perceptions of the improvement in the quality of work life, a new questionnaire, the Barry survey, has been developed. It was distributed to all Damart France employees in May and October 2019 during the test phase and then to Damart's support services entities: DSB and the DMT production plant in February 2020. It should be noted that for Damart France and DSB, the overall employee satisfaction rate rose to 6.4, against 6.3 for Damart France and 6.2 for DSB in 2017, and 7 for DMT in 2020.



The action plan for these entities and deployment throughout the Group was delayed due to the lockdown period related to the Covid-19 crisis. The subject will be taken up again in September 2020.

WORK FROM HOME

Work from home was already practiced in some of the Group's companies before the lockdown. Damart France, Damart Belgium, Damart's support services entity (DSB), and 3Pagen had set up an agreement on work from home at a rate of 1 to 4 days per month. DSB, the precursor entity, signed it in 2016.

Over the last two years, Damart has received the prize for the best rate of work-from-home awarded at the "Challenge de la mobilité des Hauts de France" (Hauts de France region's mobility challenge) which takes place every year in September.

The Covid-19 crisis has accelerated the evolution of this operating mode with the generalization of work from home and the development of digital collaborative work, notably via the Teams tool, which is being rolled out across the entire Group.



EMPLOYEES' HEALTH AND SAFETY

The Damartex Group undertakes to scrupulously apply the regulations in force regarding the health and safety of people at work, at head offices, in stores and warehouses, whatever the country. Moreover, the accident rate is low.

- Group absenteeism rate: **6%**
- Number of accidents with loss of time (Damart France) : **26**
- Frequency rate (Damart France): **13.54**
- Severity rate (Damart France): **0.62**

In France, each workplace accident is analysed, as soon as it occurs, by the department manager and a member of the CSSCT (H&S and working conditions committee). These accidents are then studied at the CSSCT's quarterly meetings, in the presence of the occupational physician, in order to define the measures to be put in place to prevent their recurrence. The analysis of these accidents also allows for the Single Risk Assessment Document to be updated regularly. A commission on psychosocial risks has been set up and its members trained.

Companies are constantly seeking to maintain close links with the social partners. Any opportunity to exchange with them is exploited to keep in contact and maintain the dialogue. Exchange and work meetings are organized every quarter with representatives of the trade unions to inform them about current issues, the life of the company, the progress of business, and to gather their opinions, requests and expectations. Meetings or appointments are also held on an ad hoc basis, depending on current events or topics that the trade unions wish to raise. This same close relationship is maintained with the members of the CSE (Social and Economic Committee) and the members of the CSSCT who are informed and consulted, in the most transparent way possible, and on a regular basis.

In Tunisia, the Health and Safety policy is led by the Human Resources Department and is under the slogan "Safety is our Priority". It is based on:

- Improving working conditions, particularly in terms of workstation ergonomics, suitability and maintenance of equipment and tools, cleanliness of workshops and hygiene of premises;
- The organization of first aid and firefighting training courses;
- The organization of weekly awareness sessions: "Safety Wednesday" in the form of videos relating to safety in the workplace (handling, falls, staff empowerment...);
- The presentation of the safety policy during the integration of each new recruit; and
- The organization of periodic medical checkups every other week (Occupational physician)

COVID-19 CRISIS

Since the beginning of the health crisis, the Group's top priority has been the health and safety of its employees. The various departments have put in place various measures to protect the health and safety of all employees. As part of this, documents have been developed to enable everyone to have the same information on the prevention measures to be implemented and monitored on a daily basis and thus help limit the spread of COVID 19 (prevention guide, best practice sheets, job sheets).

During the lockdown period, most of the sites remained operational and all the premises were fitted out to guarantee a safe distance and the maintenance of preventive measures. The group made extensive use of work from home for those positions that allowed it.

Masks and hand sanitizer were given to the employees for their return to the site after the lockdown. Instructions for good health practises are posted within the buildings, internal communications are regularly sent out and hand sanitizer is available for self-service.

Specific measures have been put in place for the re-opening of stores:

- A distribution of kits including masks for staff and customers, hand sanitizer, protective screens for tills and coin trays;
- A half-day training course on post-health crisis reopening for staff working in stores; and
- Availability of a team of psychologists.

Each HR team provides regular updates and recommendations to protect the health and well-being of employees.

Concerning the DMT plant in Tunisia, very strict protection measures have been put in place. They enabled the plant to distinguish itself and to obtain from the Tunisian Ministry of Social Affairs a Certificate of Appreciation in recognition of its efforts in the implementation of safety and protection at work requirements for the prevention in the transmission of the Covid-19 virus.

DIVERSITY AND EQUAL OPPORTUNITIES

The Damartex Group is very attached to valuing personalities to develop a culture of openness and has sought to make differences an opportunity via an egalitarian policy (gender mix, equal treatment, employability of seniors, etc.)

The Group's brands are committed to:

- Developing and promoting a culture of diversity and equality, fairness, integrity and dignity;
- Preventing all forms of discrimination and address these problems in a consistent, timely and effective manner; and.
- Raising awareness and training colleagues on equality and diversity.

The Damartex Group's workforce is characterized by a very strong presence of women since women represent **77% of the employees** as of 30/06/20.

GENDER EQUALITY INDEX

The French government has, through the law on freedom to choose one's professional future of 5 September 2018, sought to strengthen existing legal provisions concerning professional equality between women and men by instituting a gender equality index.

- This index was for Damart France over the previous financial year of 72. This year it is not measurable due to the wage freeze.
- For Afibel, the figure for this year is 99, an increase of 5 points compared to last year.
- As a result of the extension of the scope of the law to companies with fewer than 250 employees, it was calculated for the first time this year for the Damart support functions entity (DSB) and reached 93.



PEOPLE WITH DISABILITIES

The Group's support approach also includes disability, even if much progress remains to be made in this area. The main lines of actions are raising employee awareness and keeping people in employment. Scheduling arrangements for disabled and senior employees have been put in place to encourage them to remain in employment (work not compulsory on Saturdays, flexitime, etc.).

Rate of disabled workers for the 2019-2020 financial year (7)

DAMART						AFIBEL	XANDRES	3PAGEN	COOPERS OF STORTFORD	SILVEREDGE
FR		UK	BE	DSB	DMT					
Stores	Mail Order									
0.5%	12%	1%	0%	2%	0%	16.5%	0%	9.2%	0%	0%

RESPONSIBLE PROCUREMENT

The Damartex Group subcontracts the production of the majority of its products. In this context, a significant part of the Group's societal impact depends on the activities of its suppliers and subcontractors. Risks related to purchasing are significant, due to the distance between Damartex's headquarters and the plants (quality, non-compliance, human rights violations), and could harm the Group's reputation and thus compromise its ability to attract new investors and employees.

To improve control over its supply chain, Damartex has been implementing a responsible purchasing policy since 2013 and opened its first Home & lifestyle purchasing office in Shanghai in early January 2018. The Group's presence in China through this office has enabled the Group to strengthen the traceability of the Home & Lifestyle product supply chain with local teams travelling to production sites. The entire team of this office (director, quality controllers and merchandisers) benefited from a two-day training course on CSR issues (global Damartex requirements, technical points: emergency exits, evacuation routes and plans, first aid kits, wearing of safety equipment, fire extinguishers, fire alarms, storage of chemicals, etc.). Monthly monitoring of Responsible Purchasing indicators applied to the procurement office in the form of videoconferences is carried out with the group CSO.

ORGANIZATION OF THE SUPPLY CHAIN

All of the group's brands pay great attention to the selection of suppliers by seeking recognized expertise for each type of product.

There are 1,105 Tier 1 suppliers at Group level.

The country risk was assessed using the ICS Country Risk Mapping based on 9 criteria. Most countries are classified according to 3 levels of risk: risky, medium-risk, and low-risk.



Share of purchase volumes by level of risk:

	DAMART	AFIBEL	3PAGEN	COOPERS OF STORTFORD
Risk countries	67%	32%	46%	89%
Medium-risk countries	22%	22%	-	-
Low-risk countries	9%	40%	40%	1%
Countries without ICS rating	2%	6%	14%	10%

All of the Group's brands maintain special relationships with their suppliers, who are long-standing partners.

The rate of new suppliers to the Fashion brands (Damart, Afibel and Xandres) is **8%**.

Brands maintain different types of relationships with their suppliers according to the typology below:

Typology of suppliers for fashion brands.

	DAMART*	AFIBEL	XANDRES
Intermediaries	53%	4%	9%
Importers/Trading	26%	38%	
Plants directly	16%	50%	91%
Brands	5%	3%	
Others		5%	

*except Easy Living and promotional items

For the Home & Lifestyle brands, the ambition is to develop an increasingly significant share of purchases going through the Purchasing Office presented below:

Share of purchase volume via the Shanghai Purchasing Office for Home & Lifestyle brands

	3PAGEN	COOPERS OF STORTFORD	SEDAGYL	DELABY
Shanghai Purchasing Office	37%	48%	5%	3%

DAMARTEX WAY

In 2013, the Group implemented its responsible purchasing policy: **The Damartex Way**. Working in close, long-term partnerships with suppliers who share the Group's ethical requirements is the basis of this approach. DAMARTEX wants to be able to guarantee its customers and employees that the men and women who have **manufactured its products** are treated with respect and that this manufacturing process tries to limit the negative impact on the environment.

It rests on 3 pillars: the Sustainable Purchasing Charter, the involvement of buyers and social audits.

- The Sustainable Procurement Charter:

The Group has written its own charter for responsible purchasing, which incorporates the ten principles of the United Nations Global Compact. Within the Charter, the Group asks its suppliers to ensure the effective application of fundamental workers' rights in compliance with the International Labour Organization (ILO) conventions and national legislation. The charter is appended to the general terms and conditions of purchase of the various brands. The target signature rate is 100%. The Xandres and Sedagyl companies have embarked on the approach more recently and are following the same trajectory.

Charter signature rate :

DAMART	AFIBEL	XANDRES	3PAGEN	COOPERS OF STORTFORD	SEDAGYL
98%	94%	23%	96%	97%	3%

(8) Percentage calculated in number of suppliers out of the total number of suppliers.

(9) Percentage calculated as purchase volume (quantity of products) on the total purchase volume.

- Buyers' involvement:

The purchasing teams have been trained to tour factories "with CSR in mind". Each time they go on a purchasing trip, they are asked, while they are there, to tick a checklist that lists the prerequisites demanded by the Group in terms of employee health and safety. These prerequisites constitute a first assessment of the working conditions present in the supplier's plants and make it possible to identify non-compliance and areas for improvement. A supplier self-assessment questionnaire has also been developed and is sent to suppliers through the procurement office.

- Social audits:

Damartex has been a member of the Initiative for Compliance and Sustainability (ICS) since January 2017, Damart since 2017, Afibel and 3Pagen since 2019, for carrying out social audits. The 48 member companies that take part in this initiative are working together to improve working conditions for people in the workplace in a sustainable way and to provide responsible support to suppliers, so that they can become active players in their progress. The social audit follows a methodology common to all companies and is always at the initiative of the member company and not the supplier in order to ensure an unbiased result.

The topics covered are management and traceability, child and young worker labour, forced labour, discrimination, disciplinary practices, freedom of association, working time, compensation and benefits and health & safety.

The Group's ambition is to have **80% of the products** put on the market coming from audited factories by 2022, and **100% by 2030**. For this purpose, the framework has been defined as follows:

- Type of audits accepted: ICS and BSCI (Business Social Compliance Initiative)
- Audit acceptance rule: semi or unannounced, completed within the last 2 years (less than 1 year in the case of BSCI C), with an ongoing corrective action plan if it is not A or B.

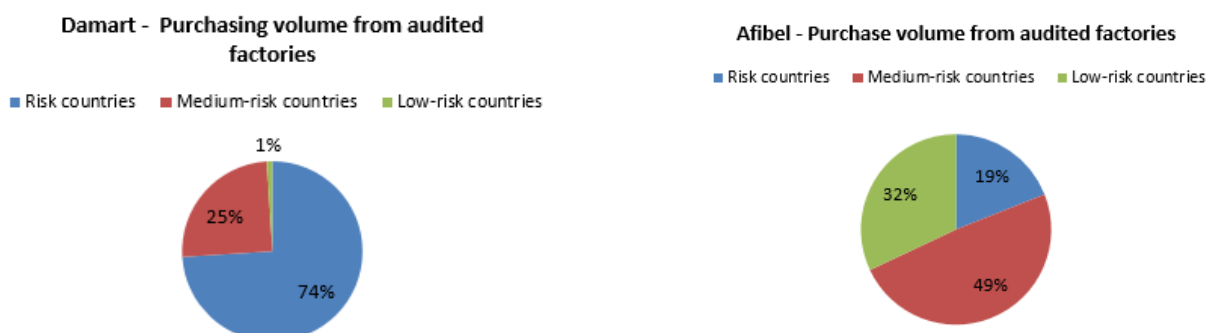
The CSR department, in collaboration with the purchasing department, maps out supplier risks and prioritizes the factories to be audited according to several criteria:

- Country risk
- Supplier's weight in purchasing volume
- Availability of a valid social audit

FOCUS ON THE FASHION DIVISION'S BRANDS (EXCLUDING XANDRES)

	DAMART	AFIBEL
Plants audited (valid audit)	98 (of which 82 ICS)	36 (of which 31 ICS)
% volume of purchases from audited plants	61.5%	19%

Below is a breakdown of the volume of purchases from audited factories by country of origin:



(10) Percentage of suppliers having signed the charter out of the total number of suppliers.

(11) Delaby, sold in 2020, is excluded from the scope of consolidation.

FOCUS ON THE HOME & LIFESTYLE DIVISION'S BRANDS (EXCLUDING SILVEREDGE)

	3PAGEN	COOPERS OF STORTFORD
Plants audited (valid audit)	7 (of which 3 ICS)	32 (of which 4 ICS)
% volume purchased from audited plants	4.4%*	36%

**Note that if the audits planned for the Buying Office factories had taken place, the percentage of products from audited factories would be 20% for 3PAGEN.*

For the Home & Lifestyle brands, 100% of the audits carried out took place in factories in risk countries (China and India).

COVID-19 CRISIS MANAGEMENT

The Covid-19 crisis has had an impact on suppliers in terms of order cancellations, supplier payments and working conditions in factories, particularly in South-East Asian countries. In this context, the Group has ensured that its suppliers are respected.

- **Concerning working conditions**, as part of the cooperation with ICS member companies, an e-mail was sent in the local languages to all factories, setting out all the measures to be taken at production sites in terms of preventive measures and social distancing. In addition, a survey was sent to 341 suppliers, with a return rate of 19%, and shows a good consideration of all these measures among the respondents. Workers' Voice telephone survey solutions have also been implemented in India, Bangladesh and Turkey, and are currently being deployed and analysed. These surveys of workers on their working conditions and payment of wages are intended to compensate for the impossibility of carrying out audits given the situation that has led to plant closures and restrictions on the auditors' movements.
- **Concerning the cancellation and postponement of certain orders**: they concerned only a limited number of products (2.1 million units). In agreement with suppliers, 1.6 million items were postponed for a few weeks, 350,000 were postponed to the following seasons and 150,000 were actually cancelled, i.e. less than 1% of the quantities ordered during the year.

These cancellations and postponements were negotiated in co-construction with the suppliers and have been the subject of:

- A moral commitment to resume for next spring-summer season depending on the state of progress in the manufacturing process (material or product).
- Storage instructions so that the goods are not damaged.
- A rescheduling of orders for the winter season with a commitment not to apply any late penalties in relation to this crisis.

MODERN SLAVERY ACT

The two English subsidiaries, Damartex UK and Coopers of Stortford, adhere to the Modern Slavery Act and publish the MSA Statement on their websites, including all supplier awareness, training and internal communication actions.

At Damartex UK for example, all employees are made aware of these issues by signing the Code of Conduct (with a chapter dedicated to "Modern Slavery"), the explanation of the Transparency process and the "Modern Slavery" chapter, and an E-learning module. Finally, raising suppliers' awareness of these issues involves signing the Responsible Purchasing Charter (with a chapter dedicated to Modern Slavery). This year, the charter was sent to 17 new suppliers and 100% of suppliers signed it.

BUSINESS ETHICS

ANTI-CORRUPTION

With a broad presence in Europe, Tunisia and China, and with a business model based on the purchase of products and then resale, the Group could face situations of corruption or conflict of interest. These situations could be illustrated by an arrangement during a price negotiation, favouring a supplier during a call for tenders, or increasing purchases from a supplier in exchange for compensation.

Without waiting for a potential occurrence of these threats to the conduct of business, the Group has always placed ethics at the heart of its relations with its employees, third parties and stakeholders and, in response to the obligation to comply with Sapin II anti-corruption regulations, has begun to formalize its practices.

The Group has therefore been working for nearly two years on compliance with these regulations and has carried out a certain amount of work on the pillars with which it must comply.

The Group has therefore carried out a mapping of corruption risks. This mapping was presented and validated by the Audit Committee in September 2019. A yearly update of this mapping is planned and will take place during the last quarter of 2020 to integrate the scope of the Santéol company recently acquired by the Group.

Whistle-blowing system:

The Group has developed its own whistleblower system called *Transparency* and which is available at the following address: **transparency@damartex.com**. This system was launched Group-wide in autumn 2018 in the six Group languages (French, English, German, Dutch, Chinese and Arabic). and was the subject of an internal communication campaign (posters on sites and circulation of explainer brochures). This system is also available to external suppliers and customers through a brochure distributed at their discretion or through a communication on the Group's website.

There are four types of alerts that can be traced through Transparency:

- Fraud (corruption acts, conflict of interest or influence peddling),
- Theft of confidential data (customer or employee data),
- Moral or sexual harassment of a Group employee or service provider, and
- Unethical behaviour.

Alerts received are handled internally by the Group's Legal Director and the Group's Chief Sustainability Officer.

Code of Conduct:

The code of conduct has also been implemented for the Group's French subsidiaries. This code has regulations. The extension of this code to the other subsidiaries is in progress.

Formalization of the gift policy:

A policy known as "invitation and gifts" has been communicated to the entire Group and has been applicable since January 1, 2020.

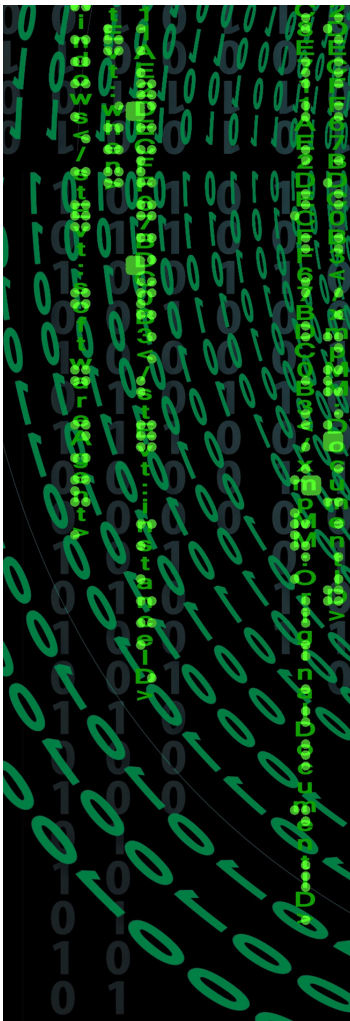
Sapin II training

In terms of training, an initial face-to-face training session was given by Middlednext in January 2020 at the Group's head office for nearly one hundred employees in so-called exposed functions from the Group's French and Belgian subsidiaries and also from the head office. For the other foreign subsidiaries and other French employees, given the health context in the spring of 2020, the e-learning distance learning solution was preferred. This system, developed by Middlednext, will be deployed from autumn 2020 onward. Work on the other pillars will begin in the coming weeks.

CHOOSING RESPONSIBLE TAXATION

The Damartex Group is transparent with regard to its taxation and wants its tax policy to be fully in line with its corporate responsibility strategy. The Group has therefore adopted a citizen's attitude that consists not only in complying with legislation but above all in making a fair contribution to the countries in which it operates. Thus Damartex pays the taxes due in the countries where it is established. It thus contributes to their development and to maintaining a stable economic environment in these countries, with quality public services (health, education, safety, transport, etc.) that benefit everyone, including the Group itself.

DATA CONFIDENTIALITY



The Damartex Group constantly strives to maintain trusting relationships with its customers in all areas, including the processing of personal data. Since May 2018, the personal data protection officer appointed by the Group has been coordinating all the Group's actions on this subject, and is regularly consulted on projects involving the personal data of the Group's customers and prospects.

Damart France's personal data policy is available on request in stores, on the Internet (dedicated page in French: www.damart.fr/vosdonnees) and by telephone (voice server giving access to different levels of information when ordering: tel +33 3 20 49 16 00 in French). Thus, customers can be informed about the processing of their personal data and the rights resulting from it.

The Group closely monitors the evolution of the exercise of the rights of the people concerned (customers and prospects), particularly with regard to the exercise of the right of deletion and the right of access. The figures are stable, and semi-automated processing makes it possible to respond to these requests within the time limits imposed by the Regulation (one month), including during the sensitive period of lockdown. As a contact for the authorities in each country, the personal data protection officer regularly corresponds with the CNIL (French Data Protection Authority) to work on improving procedures for the Group's customers and prospects, as well as with the APB (Belgian Data Protection Authority).

THE GROUP'S RESPONSIBLE COMMUNICATION APPROACH

Damartex attaches great importance to its communication strategy towards its customers: positive, clear and helpful. Brands are working to improve their image on all channels (marketing, press relations, social media...).

76% of the activity is mail order (catalogue and web). This method of retail is accompanied by strong direct marketing that triggers the purchase with regular mailing shots, newsletters, special offers and promotional items. The group's brands want to optimize relations with their customers by improving the marketing content, and several orientations are therefore being worked on.

- **Contact with customers:** the modernization of the customer experience involves capitalizing on human relations.

The sending of approximately 150 million catalogues and mailing shots at Group level every year creates a privileged contact with customers and a certain close relationship. Damartex's distance mail order brands all have a call centre that welcomes customers in a personalised manner. On a daily basis, Damartex employees are in direct contact (stores, call centres) with nearly 40,000 senior citizens, thus enabling them to build a real, close relationship with customers.

- **Messages to customers:** the group's brands apply the principles of ethical marketing by developing trust through transparency on claims, quality and product origin

The teams of customer sales operators are recognized for their know-how and are trained to understand the problems encountered by customers. In their practices, brands focus on compliance, sincerity, understandability and treating the customer fairly.

Thus, at Damart, a CSR FAQ has been developed for all employees in contact with customers to help them respond in full transparency on these subjects. It is updated regularly. Brands also strive to always communicate a positive image of senior citizens.

Each brand deploys its **own direct marketing strategy**:

- **Sédagyl** focuses on the development of a qualitative and rewarding relationship which is reflected in regular direct marketing and a local call centre.
- **3PAGEN** wishes to optimize the relationship with its customers by improving its marketing content, and its SEO activities, by creating more opportunities for contact with customers through special newsletters and by strengthening the web approach.
- **Coopers of Stortford** offers its customers an attractive and interactive omnichannel shopping experience, with promotional items to be won and all sorts of commercial offers (promotional code, discount, games, free shipping, etc.)

- **Xandres** only offers discounts during pre-sales and sales periods. Only two promotional items are offered per season to loyal customers.
- **Afibel** fulfils its mission by paying extreme attention to the quality of the relationship with its customers, by making it super easy to purchase (simple and user-friendly website, known and recognized customers, easy return, easy payment...) and by offering a fun promotion system.
- **Damart** develops an omnichannel and personalised customer relationship, whatever the point of contact, and cultivates its proximity to customers by deploying a new "Personal Shopper" and in-store Click and Collect service.





PARTIE 3 :

Committing to seniors

Ambitions :

- Propose an inclusive, high-quality and innovative offer for the 55+
- Generating customer satisfaction wherever the Group operates
- Beyond business, act for the over 55s through the On Seniors' Side Foundation

BY 2022: 100 projects funded by the On Senior' Side Foundation

By 2030: Make the Group and its foundation a key player in the inclusion of older people.



INCLUSION OF SENIORS

Committed to people over 55 years old (the "55+"), Damartex's mission is to offer them every day the best of progress, fashion and products and services that make their daily lives easier.

An emotional, understanding, authentic and lasting bond has always existed between all the Group's brands and its customers. Seniors are the core purpose of the Group. It is for them that all the employees get up every morning. They inspire them and guide their actions on a daily basis.

It is in this spirit that Damartex developed its non-statutory core purpose, "On Seniors' Side" and defined its vocation: create and distribute specific products adapted to all Seniors.

The Fashion brands offer a unique range of products that place style, innovation and body shape expertise at the heart of their know-how.

- **Damart** is primarily aimed at active senior women and invests in Research and Development to offer more and more comfort benefits and support customers in their activities.
- **Afibel** offers a studied and fancy style to more traditional seniors. It serves all body shapes, with a special emphasis on large sizes.
- Finally, **Xandres** is much more upscale and selective and is aimed at younger, more demanding and more affluent customers.

The Home & Lifestyle brands offer a range of products for decoration, cooking, gardening, mobility, health, etc.

- **3Pagen** offers clever, inexpensive products to beautify the home and make life easier.
- **Coopers of Stortford** is dedicated to significantly improving the lives of senior citizens at home, with useful products that provide real added value in everyday life.
- **Sédagyl** offers products whose vocation is to help people with loss of autonomy stay at home and happy.

Thus all the brands propose an offer to all seniors: from the youngest working seniors to the oldest with loss of autonomy.



INNOVATIONS AND QUALITY AT THE SERVICE OF SENIORS

The Damartex group has developed around the Damart brand, born from a textile innovation, the iconic "Thermolactyl". A fervent innovator, Damart develops patents (5), innovation and labels that guarantee benefits to those who wear its clothes or underwear. Today 25% of sales are made thanks to this innovation.

- Thermolactyl® and Climatyl® for thermal comfort
- Perfect Body®, Perfect Fit® for comfortable shapewear
- Amortyl for walking comfort
- Thermolactyl Sensitive® and Feel FRESH® for skin comfort.

In concrete terms, this textile innovation is made possible thanks to Research and Development team made up of 4 engineers who are experts in their field and who are constantly thinking about the textile innovation of tomorrow.

Over the past financial year, there have been a number of challenges in particular:

Thermal comfort (in hot and cold conditions):

- Optimization work on the Thermolactyl mixture called "hollywood" to adjust its composition as well as possible while maintaining its thermal performance.
- Development of a "scribbled" mix with very high anti-odour performance (96% odour elimination), long-lasting, without any encapsulation or controversial chemicals. This breakthrough is being introduced at DamartSport® this winter and will enable significant improvements to be envisaged (in performance as well as in use) on the "daily" underwear ranges at Damart.
- Research is ongoing on "regulating" fibres, which provide warmth when it is cold and coolness when it is hot and thus guarantee the customer long-lasting comfort.

Product harmlessness:

"Technical" deployment of the Oeko-Tex certification on all ranges of underwear to ensure increased safety for customers in the use of the products.

Objective: to guarantee customers completely harmless products, a reason to be reassured and to express the brand's know-how.

PRODUCT QUALITY

To ensure the Group's quality approach while preserving the specificities of each sector and each brand, each has its own quality department. These teams are in charge of defining their brand policies, identifying and accrediting testing laboratories and for some of them, conducting their own quality tests.

For the Fashion business, Damart's approach is described below.

The claim of quality is one of the 5 pillars of the Damart brand and has made its reputation:

"DAMART: a brand you choose for its Quality."

This quality covers all components of the articles:

- Pleasant, resistant and easy to maintain materials; that last over time.
- Cuts designed to respect and enhance the body thanks to a team of technicians.
- Quality finishes: attention to detail in seams, linings, and accessories...

The Quality policy is based on the principle of continuous improvement, nourished by a virtuous circle between desired, delivered, perceived and expected Quality.

- **Desired quality:** all products and their components (Materials, Supplies, Accessories) are subject to precise technical specifications based on international standardized tests.

- **Delivered quality:** orders are subject to technical (Compliance with product specifications and manufacturing defects), regulatory (REACH/POP Directive), and logistical (Packaging and Delivery terms) compliance checks. All requirements are thus referenced in the Roadbook of the supplier portal.

- **Perceived quality:** meticulous analysis of returns, followed by seasonal action plans, Customer testimonials on our websites, Customer round tables (Customer Lounge), Competitive benchmarks, Exchanges with store saleswomen, NPS, are all ways to be as close as possible to customers.

- **Expected quality:** Depending on the level of customer satisfaction, the understanding of their requirements and their evolution, the technical specifications that are binding for the brand in terms of "Promise of Quality" are naturally evolving and updated every season.

This quality policy is the result of a 3-step process:

- **The production launch agreement:** it includes style validation, material validation (quality of use and care) and proper fit validation (fit of the garments).
- **Compliance checks before shipment:** 60% of orders have a final inspection report.
- **Checking on receipt.**

Based on this **Quality Assurance** foundation, Damart is currently equipping itself with an IT solution that will enable it to steer, record and centralize all the data inherent to the checks, whether it is carried out before shipment or upon receipt, in order to harmonize, make reliable and optimize the quality control of goods, which is a key factor in customer satisfaction.

For the Home & Lifestyle business, the compliance of products placed on the market is checked on the basis of European and national regulations in the countries of sale, brand specifications and customer satisfaction.

Regulatory documents such as CE, RohS, LfgB standards are verified and stored in the product management system to guarantee customer safety. Each delivery is subject to checks and testing protocols with acceptability thresholds that have been put in place and are reviewed annually. Tests are carried out randomly by third party inspection bodies. On the other hand, the opening in 2018 of the "Damartex Shanghai" purchasing office for Home & Lifestyle products allows for a quality control at source with 2 quality controllers (QC) who regularly visit the production sites.

PRODUCT HEALTH GUARANTEE

As a retailer, the Damartex Group is responsible for all the products it brings to the market. The traded goods industry uses chemical substances to produce raw materials and finished products. For this reason, all suppliers must strictly comply with the regulations in force (For ex: REACH & POP regulation, cosmeto-textiles, biocides, etc.) and sign the required certificates.

In addition, the Group's brands carry out spot self-checks on deliveries upon receipt. The tests are carried out in third party approved laboratories.

For the 2019/2020 financial year, **2.2% of non-compliance at Damart** were detected, leading to an increased monitoring plan with the suppliers concerned. For the Home & Lifestyle brands, **3PAGEN and Coopers of Stortford**, the rate is **2.4%**.

RETURN RATE

The return rate is a good indicator of customer satisfaction with product quality. Each season a multidisciplinary team analyses the highest customer return rates and carries out the necessary action plans with the suppliers concerned.

The analysis of these product return rates (excluding promotional items) enable quality teams to refine the requirements criteria.

Rate of return by brand for the 2019-2020 financial year (excluding Coopers of Stortford) :

DAMART			AFIBEL	3PAGEN	SEDAGYL	DELABY
FR	BE	UK				
6%	4%	16%	7%	7%	3%	4%

- For the Damart brand the main reasons for return are the following:
- The fit of the clothes (good fit) for Damart France (36%) and Damartex UK (56%)
 - Services for Damart Belgium (81%)

(12) Percentage of products returned by customers against the total number of products sold

CUSTOMER SATISFACTION AND RESPONSE TO THEIR NEEDS

Customer satisfaction is achieved by understanding their needs and capitalizing on interpersonal relations. On a daily basis, Damartex employees are in direct contact (in stores, in call centres) with nearly 40,000 seniors in Europe. This gives purpose and provides the Group with a very detailed knowledge of the target group seniors represent.

To guarantee this knowledge and satisfaction, the Group has a Senior Observatory, a Customer Lounge and all mail order brands have a call centre.

KNOWING YOUR CUSTOMERS

- ***The Senior Observatory***

Assuming that the more the senior population is known, the better it will be served, Damartex has developed the Senior Observatory, a website accessible to all, that disseminate information on seniors:

<https://observatoire-des-seniors.com/en/>

This observatory gathers information on the 55+: demography, leisure, family, place in society, health, but also the relationship to new technologies.

Beyond external communication, the Senior Observatory allows to better understand our customers' current needs and anticipate future ones.

- ***Some figures on the Observatory:***

- 34 articles were published this year
- 10,000 sessions and 9,000 visitors per month on average
- 1,774 Twitter subscribers as of June 30, 2020 >https://twitter.com/obs_seniors

- ***The customer lounge***



In order to better and better serve its customers, Damartex has created a specific space in mid-2018 to welcome and listen to them: The Customer Lounge. The room can accommodate up to ten customers, accompanied by five members of the Damartex teams.

The goal is to have at least two groups of customers per month. Unfortunately, the current health situation has not made it possible to achieve the set objective. Over the 2019-2020 period, 10 workshops were organized (of which 2 for Vitrine Magique, 2 for Afibel, 2 for La Maison du Jersey, 2 for Damart) on subjects such as brand perception, the catalogue, or customers' expectations regarding a range of products. The other two sessions were a new format on the theme of sustainable development and the social and environmental concerns of our customers.

In addition, individual interviews were conducted with 20 customers of the Group's brands.

CUSTOMER SATISFACTION

Since 2013, the Group has been measuring customer satisfaction with the Net Promoter Score (NPS). After purchase, customers are asked to rate from 0 to 10 their likelihood of recommending the brand to their friends and relatives. "Promoters" are customers who gave a score of 9 or 10, "detractors" are those who gave a score of 6 or less. The NPS is the difference between the percentage of promoters (scores of 9 and 10/10) and the percentage of detractors (scores of 0 to 6/10).

The Damartex Group's NPS for the 2019-2020 financial year is: **31.1**, a slight increase of .8 points against the previous year.

Xandres, the group's leading brand in terms of NPS, scored **61.6**.

NPS scores of the Group's various brands

Damart	Afibel	Xandres	3PAGEN	Coopers of Stortford
38,6 (35,2 en 2018-19)	16,7	61,6	6,6 (17,3 en 2018-19)	48,0

The Damartex Group's objective is to reach an NPS of 50 for the 2021-2022 financial year.



ON SENIORS'SIDE FOUNDATION



In addition to customer satisfaction, being "On Seniors' Side" also means making a commitment beyond the business for the well-being of seniors. It is on this commitment that the Group has decided to create its corporate foundation: On Seniors' Side Foundation in March 2019. <https://on-seniors-side-foundation.org/en/la-fondation/>

"Changing society's view of seniors and acting for their well-being" is the mission that the Foundation has set itself. It is aimed at all Seniors and acts in one of three identified areas, namely:

- **Encouraging seniors to go out and improve their well-being;**
- **Helping seniors engage in Society and encouraging inter-generational bonding; and**
- **Promoting healthy home living and supporting carers.**

Since its creation, the Foundation has participated in the financing and support of **39 projects** spanning 5 countries:

- **20** related to the activity of seniors;
- **10** promoting inter-generational bonding; and
- **9** related to home support.

The amount allocated to associations as of 16 July 2020 is **€ 148,000** and the number of beneficiaries is estimated at **3,000 people**.

All the projects financed by the foundation are sponsored by a Group employee, to offer them the opportunity to engage for the benefit of seniors and to maintain the kindness, respect, empathy and passion that form the basis of our brands' values. More than 70 people are involved in the Foundation. Our On Seniors' Side Foundation is a vehicle of purpose. It generates a real pride in belonging to a committed and responsible Group.

SOLIDARITY ACTIONS DURING THE COVID-19 CRISIS

The Damartex Group very quickly observed that: in this time of pandemic, seniors are particularly affected. Not only are they the first victims of Covid-19, but the lockdown has also intensified their feelings of loneliness and isolation.

The Group's core purpose: "On Seniors' Side" takes on its full meaning in this context.

For this reason, employees were offered the opportunity to make contact, on a voluntary basis, with customers over 75 years of age, with the aim of creating a social bond. To help them, a guide has been written in close collaboration with an association specialized in listening to seniors: ALMA (association against the mistreatment of people over 65 and disabled adults).

Results: Approximately 400 calls were made thanks to nearly 75 volunteers. The majority of the beneficiaries appreciated this initiative "Finally I now realize I needed to talk, thank you for what you do." and all the volunteers were enthusiastic: **"an enriching experience" - "it's very touching" - "we are rewarded by these warm exchanges" - "with always a rewarding feedback"**

Several other initiatives were conducted with the association Les Blouses Roses (The Pink Coats) which works on site in long-term care facilities.

- In collaboration with Le Comptoir de L'Hirondelle (the Swallow's Trading Post) association, weekly e-mails have been sent to medical facilities in the Lille metropolitan area.
- In collaboration with Ephad des Bateliers de Lille care facility, the Sedagyl and Delaby teams provided sports equipment (minibikes, steppers) so that seniors could have the opportunity to practise a sporting activity in their rooms.

An intra-company challenge has been set up at Damartex UK in Bingley. The Covid-19 pandemic had a catastrophic effect with the cancellation of thousands of charity events and the loss of billions in revenue through fundraising events. The project consists of uniting employees to support a national charity. The 2.6 Challenge at Damartex UK was launched on Monday 27th April, 30 to 40 colleagues challenged themselves and raised over £ 406.

In addition to the Foundation, the Group's brands have engaged through **solidarity donations**:

- The volunteer seamstresses of **Damart** and **Xandres** got involved in the production of masks: thousands of masks have been produced to protect everyone on the front line of the ecosystem.
- Thermolactyl emergency kits have been prepared by **Damart** employees to warm up the carers and staff of the Roubaix city council.
- Donations of T-shirts, fleeces and bed sheets were made by **Afibel** and **Damart** to equip the medical staff and protect the patients.
- **Jours Heureux** treats were offered to soothe the daily lives of caregivers in the region's hospitals. More than 1,000 boxes of chocolates and pastries were delivered to the medical staff.



METHODOLOGICAL NOTE

The social, environmental and societal information presented in this report has been prepared for the financial year ended 30 June 2020 in accordance with Articles L.225-102-1 and R.225-105-1 of the French Code de commerce.

- The 2019/2020 statement's scope corresponds to the Group scope as defined in the financial statements. The 2018/2019 scope was restricted to the Damart and 3Pagen scope.
- Given the nature of the Group's activities, the following topics: fight against food wastage, against food insecurity, and responsible, equitable and sustainable food, were considered irrelevant and do not justify being developed in this report.
- Due to the COVID 19 epidemic, training information could not be collected for the period 1 March 2020 - 30 June 2020. The Group has decided not to disclose this incomplete information and to use, on an exceptional basis, the information from the previous financial year concerning the Damart and 3Pagen scope.

COMMITTING TO THE PLANET

kg CO2 eq per unit sold: release of CO2 eq measured on scopes 1, 2 and 3 of the Group for the 2018-2019 financial year according to the GHG Protocol method/ number of units sold for the 2018-2019 financial year

Rate of eco-responsible references of the collection: total number of eco-responsible references in the 2019-2020 collection / total number of references in the 2019-2020 collection.

A product is defined as eco-responsible according to the raw material, the manufacturing process, the origin, and its sustainability within the framework set by the Group.

Carry forward rate of references: reference carried forward to 2019-2020/ total number of references in the 2019-2020 collection

A carried forward reference is a product from the 2019-2020 collection that was already available in the 2018-2019 collection, possibly in a new colour.

Tons of plastic waste generated by activity: total quantity of plastics generated by the brands' activity (plastic bags in stores, products' polybag, product packaging, parcel packaging, mailing shot and catalogue packaging).

COMMITTING TO PEOPLE

- *Happy and talented employees*

Turnover rate: $[(\text{Number of permanent contract departures in } N + \text{Number of permanent contract hired in } N)/2]/\text{Headcount at the closing of } N$

Rate of access to training: number of employees who have completed at least one training course during the period over the headcount. As noted above, this is for the 2018-2019 financial year.

Employee satisfaction rate (Group survey): result obtained in the annual survey conducted at Group level.

Total absenteeism rate: (hours of absence due to illness and accidents + hours of absence due to maternity and paternity leaves)/theoretical hours worked.

Incidence of occupational accidents: Frequency rate: $= (\text{number of occupational accidents with loss of time} \geq 1 \text{ day} \times 1,000,000) / \text{hours worked}$

Severity rate: $= (\text{number of days off due to occupational accidents} \geq 1 \text{ day} \times 1,000) / \text{hours worked}$

- *Sustainable Procurement*

Rate of new suppliers: number of new suppliers referenced over the financial year / total number of active suppliers

Percentage of suppliers having signed the charter: total number of suppliers who have signed the Damartex Way Sustainable Procurement Charter/ total number of suppliers

Rate of products from audited factories: product purchase volume from factories with a valid ICS or BSCI audit / total product purchase volume.

Valid ICS: unannounced or semi-announced less than 2 years old.

Valid BSCI: unannounced or semi-announced and less than 2 years old if rated A or B or less than 1 year old if rated C.

COMMITTING TO SENIORS

- *Product quality:*

Customer return rate: number of items returned / number of items sold.

- *Customer satisfaction*

NPS (Net Promoter Score): % of brand promoters - % of brand detractors

The concepts of promoters and detractors are assessed on the basis of the question: "On a scale of 0 to 10, how likely is it that you would recommend the brand to your friends and relatives?" asked after purchase to customers.

Promoters: customers who gave a score of 9 or 10

Detractors: customers who gave a score of less than 6

- *On Seniors' Side Foundation*

Number of projects funded by the Foundation: overall number of projects funded by the Foundation.

DAMARTEX GROUP

Rapport de l'organisme de vérification **Exercice clos le 30 juin 2020**

Aux actionnaires,

À la suite de la demande qui nous a été faite par la société Damartex Group (ci-après « entité ») et en notre qualité d'organisme tiers indépendant dont l'accréditation a été admise par le Cofrac Inspection sous le N° 3-1081 (portée disponible sur www.cofrac.fr), nous vous présentons notre rapport sur la déclaration consolidée de performance extra financière relative à l'exercice clos le 30 juin 2020 (ci-après la « Déclaration »), présentée dans le rapport de gestion du groupe en application des dispositions légales et réglementaires des articles L. 225 102-1, R. 225-105 et R. 225-105-1 du code de commerce.

Responsabilité de l'entité

Il appartient au Directoire d'établir une Déclaration conforme aux dispositions légales et réglementaires, incluant une présentation du modèle d'affaires, une description des principaux risques extra financiers, une présentation des politiques appliquées au regard de ces risques ainsi que les résultats de ces politiques, incluant des indicateurs clés de performance.

La Déclaration a été établie conformément au référentiel utilisé, (ci-après le « Référentiel ») par l'entité dont les éléments significatifs sont disponibles sur demande au siège de la société.

Indépendance et contrôle qualité

Notre indépendance est définie par les dispositions prévues à l'article L. 822-11-3 du code de commerce et le code de déontologie de la profession. Par ailleurs, nous avons mis en place un système de contrôle qualité qui comprend des politiques et des procédures documentées visant à assurer le respect des règles déontologiques, de la doctrine professionnelle et des textes légaux et réglementaires applicables.

Responsabilité de l'organisme tiers indépendant

Il nous appartient, sur la base de nos travaux, de formuler un avis motivé exprimant une conclusion d'assurance modérée sur :

- la conformité de la Déclaration aux dispositions prévues à l'article R. 225-105 du code de commerce ;
- la sincérité des informations fournies en application du 3° du I et du II de l'article R. 225 105 du code de commerce, à savoir les résultats des politiques, incluant des indicateurs clés de performance, et les actions, relatifs aux principaux risques, ci-après les « Informations ».

Il ne nous appartient pas en revanche de nous prononcer sur :

- le respect par l'entité des autres dispositions légales et réglementaires applicables, notamment, en matière de plan de vigilance et de lutte contre la corruption et l'évasion fiscale ;
- la conformité des produits et services aux réglementations applicables.

Nature et étendue des travaux

Nous avons conduit les travaux conformément aux normes applicables en France déterminant les modalités dans lesquelles l'organisme tiers indépendant conduit sa mission, et à la norme internationale ISAE 3000.

Nos travaux ont été effectués entre le 28 avril 2020 et le 04 août 2020 pour une durée d'environ 10 jours/homme.

Nous avons mené cinq entretiens avec les personnes responsables de la Déclaration.

Nous avons mené des travaux nous permettant d'apprécier la conformité de la Déclaration aux dispositions réglementaires et la sincérité des Informations :

- nous avons pris connaissance de l'activité de l'ensemble des entreprises incluses dans le périmètre de consolidation, de l'exposé des principaux risques sociaux et environnementaux liés à cette activité, et,

de ses effets quant au respect des droits de l'homme et à la lutte contre la corruption et l'évasion fiscale ainsi que des politiques qui en découlent et de leurs résultats ;

- nous avons apprécié le caractère approprié du Référentiel au regard de sa pertinence, son exhaustivité, sa fiabilité, sa neutralité et son caractère compréhensible, en prenant en considération, le cas échéant, les bonnes pratiques du secteur ;
- nous avons vérifié que la Déclaration couvre chaque catégorie d'information prévue au III de l'article L. 225 102 1 en matière sociale et environnementale ainsi que de respect des droits de l'homme et de lutte contre la corruption et l'évasion fiscale ;
- nous avons vérifié que la Déclaration présente le modèle d'affaires et les principaux risques liés à l'activité de l'ensemble des entités incluses dans le périmètre de consolidation, y compris, lorsque cela s'avère pertinent et proportionné, les risques créés par ses relations d'affaires, ses produits ou ses services ainsi que les politiques, les actions et les résultats, incluant des indicateurs clés de performance ;
- nous avons vérifié, lorsqu'elles sont pertinentes au regard des principaux risques ou des politiques présentés, que la Déclaration présente les informations prévues au II de l'article R. 225-105 ;
- nous avons apprécié le processus de sélection et de validation des principaux risques ;
- nous nous sommes enquis de l'existence de procédures de contrôle interne et de gestion des risques mises en place par l'entité ;
- nous avons apprécié la cohérence des résultats et des indicateurs clés de performance retenus au regard des principaux risques et politiques présentés ;
- nous avons vérifié que la Déclaration couvre le périmètre consolidé, à savoir l'ensemble des entreprises incluses dans le périmètre de consolidation conformément à l'article L. 233-16 ;
- nous avons apprécié le processus de collecte mis en place par l'entité visant à l'exhaustivité et à la sincérité des Informations ;
- nous avons mis en œuvre pour les indicateurs clés de performance et les autres résultats quantitatifs que nous avons considérés les plus importants :
- des procédures analytiques consistant à vérifier la correcte consolidation des données collectées ainsi que la cohérence de leurs évolutions ;
- des tests de détail sur la base de sondages, consistant à vérifier la correcte application des définitions et procédures et à rapprocher les données des pièces justificatives. Ces travaux ont été menés auprès d'une sélection d'entités contributrices¹ et couvrent entre 31 et 100% des données consolidées des indicateurs clés de performance sélectionnés pour ces tests² ;
- nous avons consulté les sources documentaires et mené des entretiens pour corroborer les informations qualitatives (actions et résultats) que nous avons considérées les plus importantes ;
- nous avons apprécié la cohérence d'ensemble de la Déclaration par rapport à notre connaissance de de l'ensemble des entreprises incluses dans le périmètre de consolidation.

Nous estimons que les travaux que nous avons menés en exerçant notre jugement professionnel nous permettent de formuler une conclusion d'assurance modérée ; une assurance de niveau supérieur aurait nécessité des travaux de vérification plus étendus.

Du fait du recours à l'utilisation de techniques d'échantillonnages ainsi que des autres limites inhérentes au fonctionnement de tout système d'informations et de contrôle interne, le risque de non-détection d'une anomalie significative dans la Déclaration ne peut être totalement éliminé.

¹ Damart France, DSB, SilverEdge, Damart Tunisie (pour les informations environnementales)

² Enjeux vérifiés : Innovation au service des seniors, qualité des produits, satisfaction des clients et réponses à leurs besoins, la Fondation On Senior'Side, Salariés heureux et talentueux, Santé et sécurité des salariés, Achats responsables (respect des droits humains), Ethique des Affaires, Confidentialité des données, Empreinte carbone des activités, Eco-conception des produits, Gestion des déchets d'emballages, Gouvernance

Conclusion

Sur la base de nos travaux, nous n'avons pas relevé d'anomalie significative de nature à remettre en cause le fait que la déclaration de performance extra-financière est conforme aux dispositions réglementaires applicables et que les Informations, prises dans leur ensemble, sont présentées, de manière sincère, conformément au Référentiel.

Lyon, le 04 août 2020



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