



STATEMENT OF NON-FINANCIAL  
PERFORMANCE  
2021-2022



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# Editorial



“ It is in an environment of climatic, environmental, economic, geopolitical and social upheavals, that we publish this non-financial performance report. Despite this instability, we have shown resilience and have made good progress towards a more sustainable and responsible business.

Indeed, from our heritage, our values, our commitment to seniors and our uniqueness, we have a duty to act for a world that is more respectful of the planet, the men and women who work for the Group and seniors.

A major focus of our transformation plan, a large number of actions, initiatives, commitments and decisions have been formalized during the plan initiated in 2019 which we have called Change Our World. Thus, the CSR policy is both centralized, with the definition of the strategy at group level, and decentralized, with the subsidiaries taking initiatives and steering them.

Our ambition is not to change the world, but to make our contribution around 3 commitments: to act for our planet, to act for more ethics and to act for more solidarity between generations. This axis is now firmly anchored and is an integral part of our business model. It is reflected in strong and concrete commitments to our colleagues, our customers, the environment and Society. We have made progress in recent years for and with our stakeholders, believing that we can achieve better results together.

We know that not everything is perfect, and that there is still a long way to go, but it is with great humility and sincerity that we are proud to demonstrate through this non-financial performance statement that we are firmly on the move to reduce our environmental impact and create value for our stakeholders.



**Joséphine Biernacki,  
Chief Sustainability Officer**

# Damartex

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## Key figures



**719Mn€**  
in sales



**8,9Mn€**  
EBITDA  
(4.7% of sales)



**3 113**  
employees



**-2,7Mn€**  
of ROC



**48Mn€**  
net financial surplus

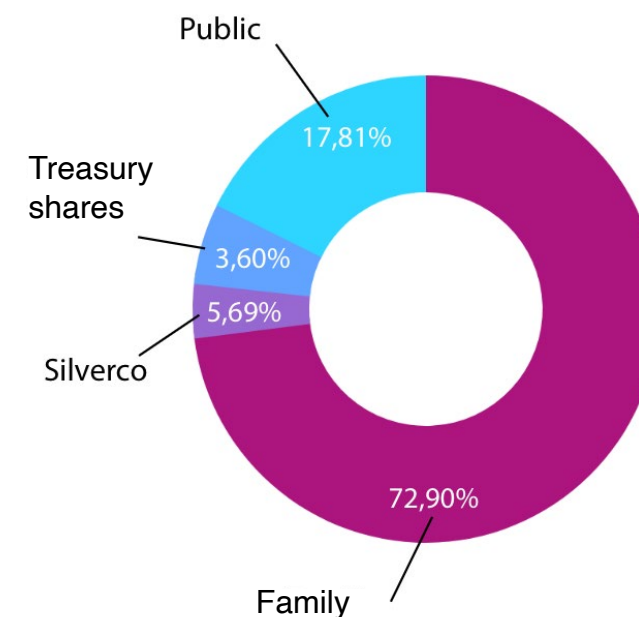


**2,2 million**  
new customers in 1 year

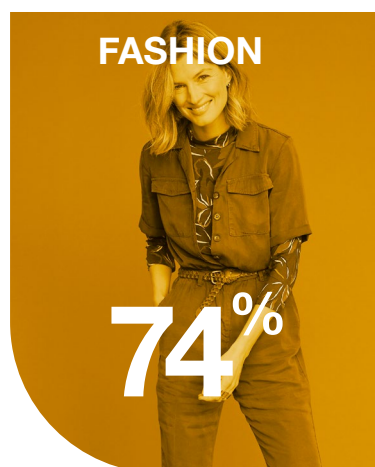
**9** countries  
of operation

France: 49% of sales - United Kingdom: 27% of sales  
Belgium/Luxembourg/Netherlands: 14% of sales  
Germany: 9% of sales - Spain - Austria - Switzerland

## A majority family shareholding



## 10 “GOLDEN AGE” BRANDS & 3 DIVISIONS :



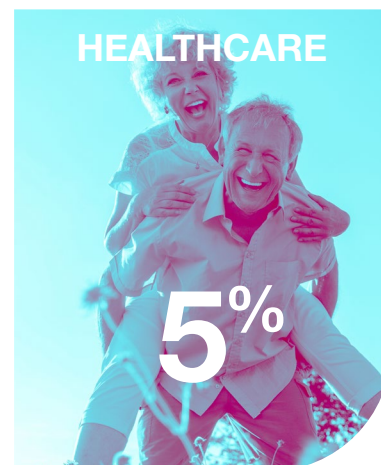
FASHION

**74%**



HOME & LIFESTYLE

**21%**



HEALTHCARE

**5%**

## An omni-channel model



**MOBILE & WEB**

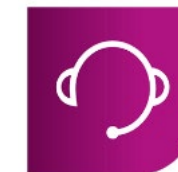
**18%**

20 e-commerce platforms



**STORES 24%**

169 points of sale  
& over 500 partners  
wholesales.



**MAIL ORDER 53%**

7 in-house call centres

## An integrated model and strong operational synergies:



1 R&D laboratory



1 industrial unit



5 logistics centres in Europe



7 call centres



1 purchasing office  
in Shanghai (China)



3 digital-oriented  
photo studios



20 web platforms  
and 169 stores



# The value creation model

## ECOSYSTEM

### FINANCIAL

Capital	157 M€
Shareholding :	72,9% family, 17,81% public, 5,69% Silverco (COMEX), 3,75% self-holding
Treasury :	-41,4M€

### HUMAN

Employees :	3 113 people in FTE
CDI :	87% people on permanent contracts

### MANUFACTURING

Production plant production :	1 own factory in Tunisia (190 employees)
Suppliers :	1307 rank 1

### INTELLECTUAL

Consumption:	34,2 GWh for building energy (gas and electricity)
Use of plastic for packaging :	886 tonnes of plastics used

### NATURAL

Consumption of natural resources in the production chain	
Innovations	Team of 4 expert R&D engineers (Damart)

### RELATIONAL

distribution network:	168 shops
Foundation :	On Seniors' Side Foundation

## VALUE CREATED

### FINANCIAL

Turnover	719 M€
Actions :	11 598 300
Result current operating result :	-2,7 M€

### HUMAN

Access rate to training :	47,6%
Feminisation rate :	73,9%
Customers :	+ 10 millions

### MANUFACTURING

CAPEX :	16,4 M€
Products from audited factories :	57,5% of products

### NATURAL

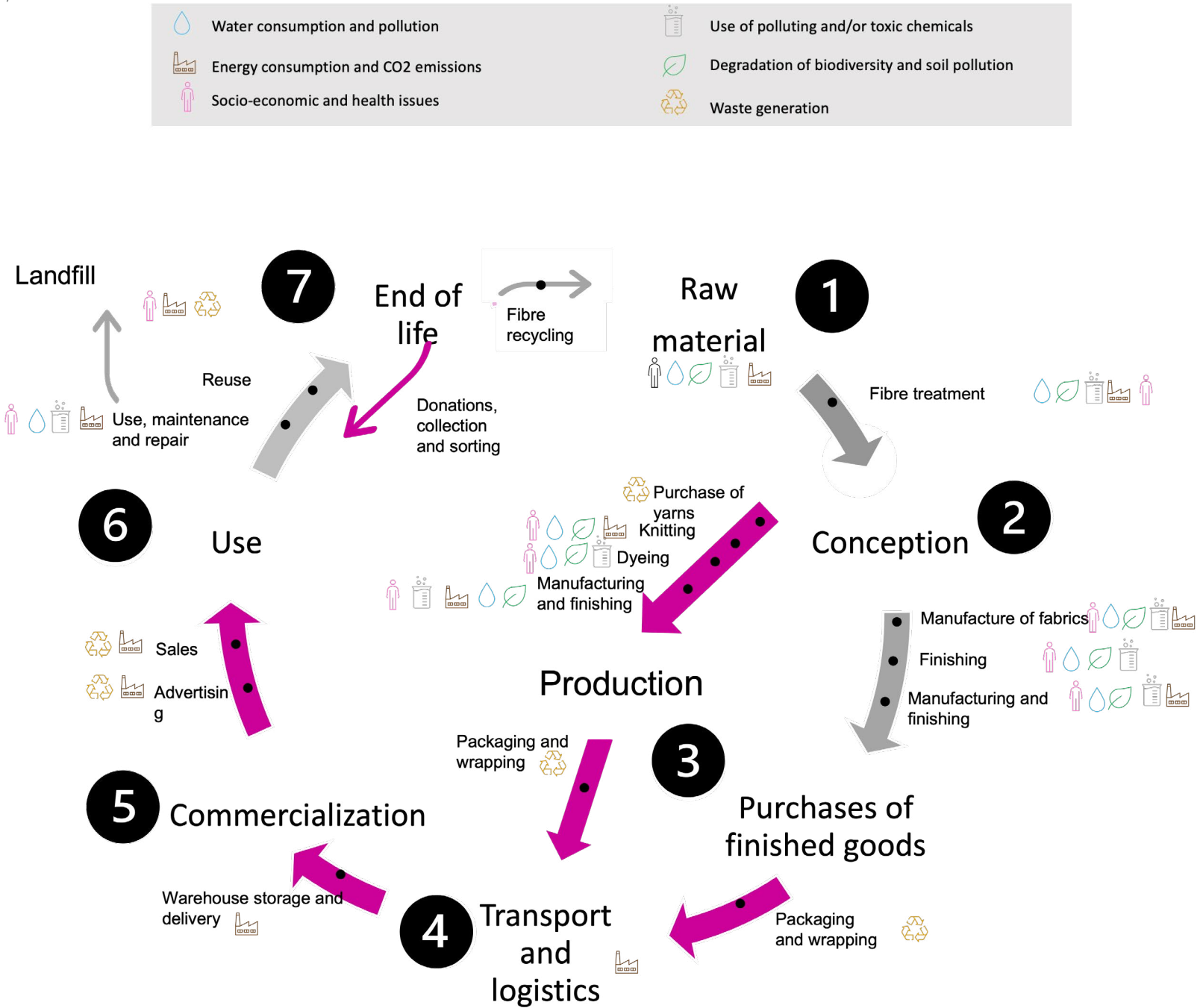
Carbon impact of the activity :	14 kg CO2 eq per unit sold
Economy circular :	Upcycled capsule collection (Damart)

### INTELLECTUAL

Protection of the oceans and biodiversity (work areas of the Fashion Pact)	
Eco-Conception :	16,3% eco-designed products
Labels :	4 comfort and well-being labels (Damart)

### RELATIONAL

Customer satisfaction :	NPS <b>Damartex</b> : 34,4
Projects funded by the Foundation :	25 projects
Sectoral commitment :	Global Compact Ambassador and Fashion Pact signatory and ICS member



NB : Santéol's activity is strategic but not very significant at the reporting date (2% of turnover) and has therefore been excluded from the scope this year.



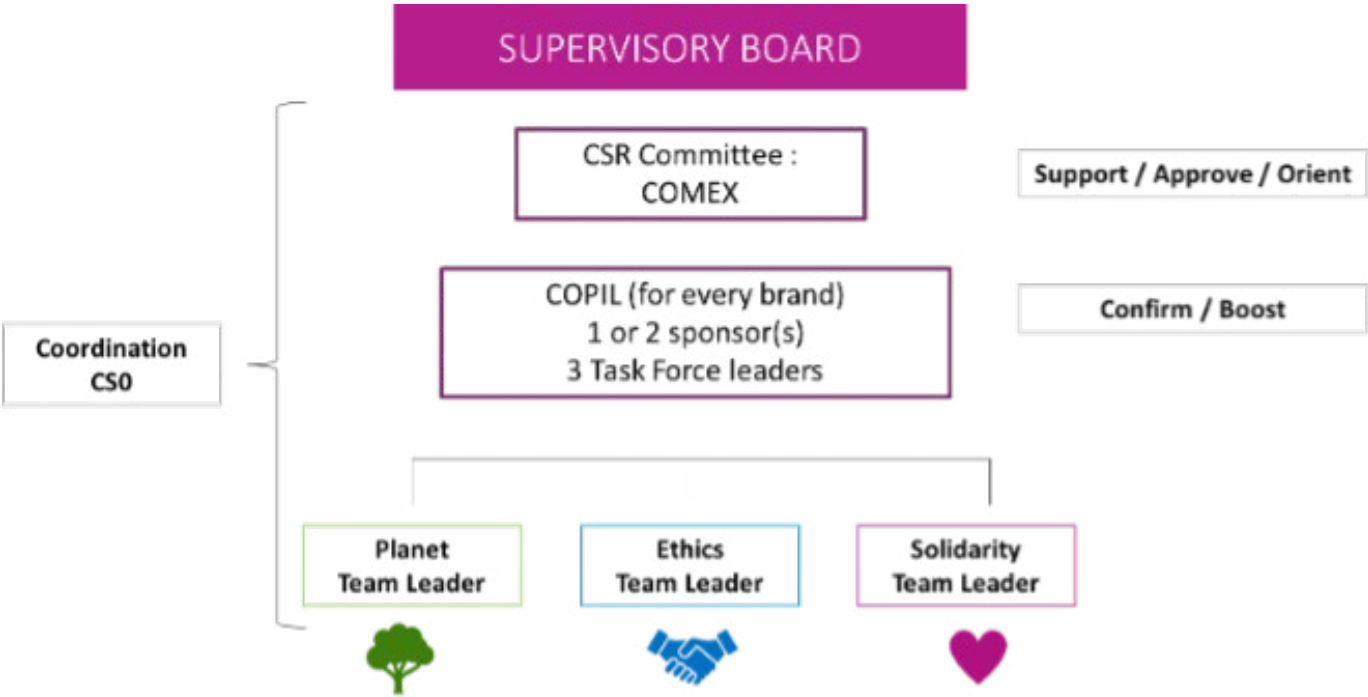
# CSR Governance

Twice a year, **the Supervisory Board** discusses the progress of CSR projects and validates the guidelines. 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. Thus, **40 people** are the CSR policy relay points within the Group’s brands. This network makes it possible to develop a CSR policy that is integrated into the businesses.



To implement the action plans of its CSR strategy, the Group relies on committed colleagues. On 21 June 2022, a small team of 18 «Superheroes» from all the Group’s subsidiaries made a presentation at the COMEX meeting. They sounded the alarm on climate change calling on the General management to take deeper, faster action. All the members of the COMEX have committed themselves to come back to them very quickly with concrete and measurable action plans and asked them to continue to challenge them and set their requirements very high. These plans will be presented on 21 September at the first **Damartex** Climate Summit, an internal event organized by the CSR department.



# Stakeholder Mapping

*We make progress in CSR for and with our stakeholders, convinced that we can achieve better results collectively with all our partners.*

*As a family-owned company, the **Damartex Group** is convinced that its success today and tomorrow 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.*

## Direct stakeholders :

The Group has chosen to decentralise the implementation of its various dialogue methods. It is therefore up to the various business lines of the different brands to implement 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 September 2021, the HR teams of 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.

This year a brand-new initiative was launched in which 18 colleagues from all the group's subsidiaries challenged the COMEX on the subject of climate change, asking them to make concrete and impactful commitments to limit the group's carbon footprint. They were heard and the action plans and new ambitions were unveiled at a Climate Summit day in September 2022.

## Indirect stakeholders :

In response to the expectations of direct stakeholders that have been heard, the group has actively participated in various organizations and federations to find a collective and sustainable response to their needs.

## Associations, NGOs, collective 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;



- in the Fashion Pact since 2019, by sharing our progress annually and through the joint action on the search for alternatives to plastic polybags in collaboration with Re-Set, an NGO.
- In the support to a number of associations, in particular through our On Seniors' Side Foundation, and in particular for :



## Federations and organisations

The group's French brands are members of the eco-organizations for the packaging (CITEO) and textiles (RE FASHION) industries. Damart is a shareholder of RE FASHION, a member of the Board of Directors and actively participates in the various working groups initiated by this eco-organization, in particular the communication, scales and eco-modulation committees.



**Damartex** is involved in the Alliance du Commerce, where the director of the Fashion division is a member of the executive committee, and in Fevad, where the group's president is vice-president.



Damart has joined the PEF Apparel initiative of ADEME to participate in the working group on environmental label display.

## Civil society and media

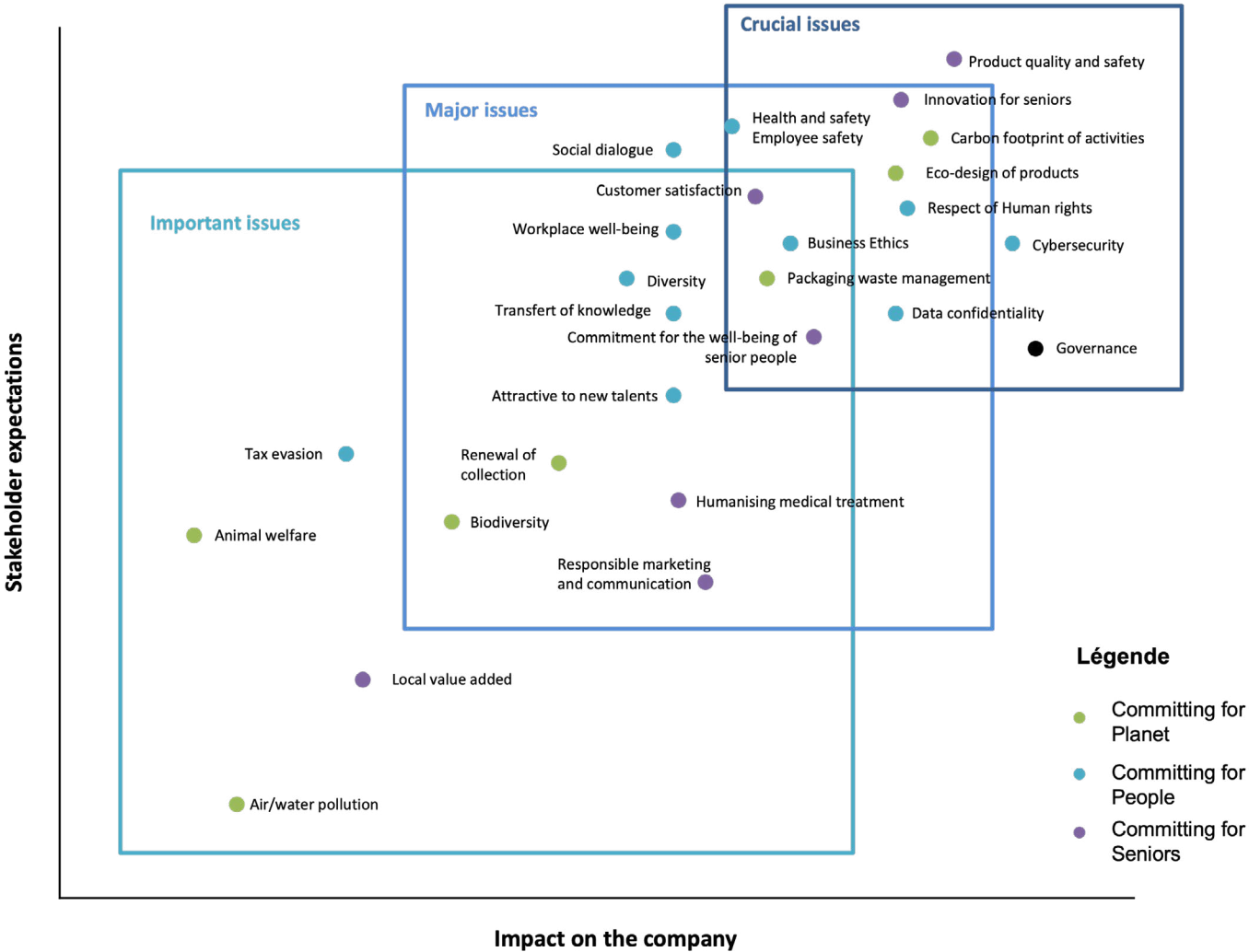
The group readily interacts with the media through quarterly press conferences and ad hoc requests.



# Damartex Challenges 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. It has been updated to take into account the new CSR challenges linked to the creation of the Healthcare Division.





# Change Our World



## Committing to our planet

2030

- 50% reduction in greenhouse gas emissions by 2020
- 100% of our offer is eco-responsible,



## Committing to more ethics

2030

- 100% of our products coming from audited factories and 100% of our colleagues commit- ted to CSR



## Committing to more solidarity between generations

2030

- Making the Group and its foundation a key player in the inclusion of older people

**Damartex** is accelerating its transformation plan to achieve its mission by taking care of the planet and human beings, wherever the Group is established. As we are convinced that busi-ness and sustainable development are insepa-rable, we place CSR at the heart of our model, contributing to the Sustainable Development Goals (SDGs)\* and prioritizing them according to strategic issues.



### For planet



### For ethics



### For seniors

#### Strategic issues

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

- Quality of work life
- Respect for human rights
- Business Ethics

- Inclusive offer for all seniors
- Solidarity between generations
- Customer satisfaction

#### Sustainable Development Goals



#### Levers for action

- Measuring our Scope 3 greenhouse gas emissions
- Regularly measuring and improving the QWL of our colleagues
- Acting beyond business to change society's view of seniors
- Implementing action plans on energy efficiency, transport, circular economy...
- Offering career-long training and encourage the on-boarding of young people
- Communicate transparently and helpfully with our customers
- Innovating with responsible products
  - Ensuring fair working conditions
- Building partnerships for the SDGs
  - Limiting packaging waste
  - Guaranteeing respect for decent working conditions throughout the responsible purchasing chain



# Part 1. Committing to THE PLANET

## Our ambitions :

1. Measuring and reducing the Group's carbon footprint
2. Eco-design :
  - More responsible textile products.
  - Transforming the Home & Lifestyle product offer into a sustainable offer.
3. Reduce single-use plastic packaging

### By 2025 :

RReduction of the Group's carbon footprint to 450,000 tonnes of CO2 eq (like for like scope)

### By 2030 :

Zero single-use plastic packaging, 100% of the offer more responsible, and reduction of the Group's carbon footprint by 50% (i.e. 300,000 tonnes of CO2 eq.)

## Application of the European Green Taxonomy to the Group's activities

The European Taxonomy of Sustainable Activities, hereafter "Taxonomy" establishes a list of economic activities considered environmentally sustainable on the basis of ambitious and transparent technical criteria. The establishment of this benchmark to distinguish economic activities contributing to the European objective of carbon neutrality - the Green Deal - underlines the scale of the economic and industrial transformations to be achieved as well as the ambition of the European authorities in terms of sustainable finance and transparency.

Based on its environmental, social and societal commitments, **Damartex** fully supports the European Commission in its work of analysing activities and defining technical review criteria aimed at directing investments by public and private actors towards projects that contribute to the transition towards a sustainable, low-carbon economy. The first environmental objectives of the Taxonomy relating to climate change mitigation and adaptation prioritized those sectors of activity that have a major contribution to greenhouse gas emissions at EU level.

With a business model based mainly on the retail of textile and non-textile products, **Damartex's** activities were not considered by the Taxonomy to make a substantial contribution to these objectives. On the other hand, the Group is demonstrating an increase in its climate commitments. The Group is also closely following the publication of the delegated acts for the other four environmental objectives which should further reflect the contribution of the Group's activities to a more sustainable world.

### 1/ Levels of Qualification selected by the Group

In accordance with EU Regulation 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment in the European Union (EU), **Damartex** is required to publish, for the financial year 2021-2022, the share of its eligible turnover, investments and operating expenses resulting from products and/or services associated with economic activities considered sustainable within the meaning of the classification and criteria defined in the Taxonomy for the first two climate objectives of mitigation and adaptation.

### 2/ Methodology developed, and ratios linked to the Taxonomy

Une analyse détaillée des activités du Groupe a été effectuée conjointement à un examen des processus et des systèmes de reporting existants permettant de détourer les agrégats financiers requis par la Taxonomie. À partir d'une analyse détaillée de l'ensemble de ses métiers, le Groupe n'a identifié aucun chiffre d'affaires éligible sur base réglementaire.

Due to its activity, no eligible revenues have been identified for this first year for the climate change mitigation and adaptation objectives, as the activities defined for these objectives do not cover the Group's activities. Due to the lack of eligible turnover, the investments and operating expenses related to the activities contributing to the turnover could not be qualified as eligible. In fact, in a conservative approach to the application of the Taxonomy, no action taken to reduce the carbon footprint of the Group's products, and therefore relating to the Group's core business activities, has been valued in the Capex and Opex indicators.



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. We have therefore set our priorities and ambitions for 2022-2030 on reducing our carbon footprint, building a more responsible product offering and eliminating our plastic packaging waste.

THE  
**FASHION  
PACT**

## A. REDUCING THE CARBON FOOTPRINT OF OUR ACTIVITIES

We measured our carbon footprint again in the summer of 2022 based on data from the 2021-2022 Financial year. As we are aware that our main impacts were linked to the life cycle of our products, we carried out this measurement according to the GHG Protocol on scopes 1, 2 and 3, taking into account the entire value chain. The scope defined is the **Damartex Group** and its entities in the Fashion (Damart, Afibel, **Xandres**), Home & Lifestyle (**3PAGEN**, **Vitrine Magique** and **Coopers of Stortford**) and Health (**Sédagyl**) business segments.

**10%**  
reduction  
compared to  
the year  
2020

When using a method that applies emission factors to activity data, there are two sources of uncertainty when calculating greenhouse gas emissions:

- uncertainty about the activity data; and
- uncertainty on emission factors

The relative uncertainty on the total emissions of the **Damartex Group** in 2018-2019 was **15.5%**. We can estimate that the level of uncertainty is similar this year because we have applied exactly the same methodology: the activity data comes from business experts and the emission factors are taken from recognized reference systems (ADEME's Carbon Base, EcolInvent, DEFRA, IEA, ASTEE, EcoAct, etc.)

The Group released **533,582 tonnes of CO2 eq**, i.e. **14 kg of CO2** per unit sold in the 2021-2022 financial year, a **10%** reduction compared with the previous measurement in 2020.

### Main impacts identified

The environmental impacts associated with the Group's activity are mainly due to greenhouse gas emissions related to the product life cycle: raw materials (extraction and transformation), shaping and assembly, use and end of life at the customer's premises, which represent over **89% of emissions** (88% in 2018-2019).

The following largest emission categories are customer travel to stores, transport and distribution of products and energy, which account for **5%, 3% and 1% of emissions respectively** (5%, 3% and 1.3% in 2018-2019).

Breakdown of Damartex's greenhouse gas emissions across the value chain	2018-2019	2021-2022
<b>Total emissions (in tonnes of CO<sub>2</sub> eq)</b>	<b>599,400</b>	<b>533,582</b>
<b>Scopes 1 &amp; 2*</b>	<b>1.5%</b>	<b>1.7%</b>
<b>Scope 3**</b>	<b>98.5%</b>	<b>98.3%</b>
• Of which Purchase of goods or services	45.3%	50%
• Of which inbound freight transport	0.8%	1%
• Of which outbound freight transport	0.8%	2%
• Of which Transport of visitors and customers	5.2%	5%
• Of which commuting to and from work	0.6%	<1%
• Of which Waste	0.2%	<1%
• Of which Use of products sold	45.2%	37%
• Of which End of life of products sold	1.0%	2%

The **Damart, Afibel and Xandres teams** organized brainstorming workshops between business experts. Several themes were addressed: the purchase and use by customers of the products in the collection, the range of non-textile products on offer (home & garden items and promotional items), the energy efficiency of buildings (headquarters, warehouses and stores), and logistics (inbound and outbound freight).

**Each brand** has committed to writing a precise and quantified action plan with the aim of reducing the carbon footprint of its activities. These new ambitions were presented at the first **Damartex Climate Summit** on 21 September.

This day dedicated to the climate was an opportunity to experience strong moments locally in each of the Group's entities around actions in favour of the planet and to raise awareness among the teams in France, the United Kingdom, Belgium and Germany, as well as common unifying moments via videoconference.

During the event, were announced:

- Action plans for the Fashion and Home & Lifestyle business sectors; and
- Our new ambitions aligned with a 1.5° trajectory, which means halving our carbon footprint by 2030.

We are very proud of the commitment and mobilization of all our teams around the climate issue, which is a priority for our Group.



Photo taken at the Climate Summit

\* «Scope 1» corresponds to direct emissions linked to the combustion of fossil fuels (oil, gas, coal) used in the Group's buildings and those generated by refrigerant leaks from facilities; This scope also includes emissions from vehicles that the Group owns or controls. «Scope 2» corresponds to indirect emissions related to the production of purchased electricity, heat and cooling.

\*\* «Scope 3» corresponds to other indirect emissions, in particular purchases of raw materials, finished products, packaging, and inbound and outbound transport. Some quantified but negligible emissions have not been included in the above table (fixed assets, other indirect emissions...).



## Focus on Scopes 1 & 2

Breakdown of greenhouse gas emission	2018-2019	2021-2022
<b>Scope 1</b>	<b>5,050.06 (60%)</b>	<b>5,605.00 (62%)</b>
Related to fuel oil and gas consumption	2,906.86 (34%)	3,523.00 (39%)
Related to refrigerant leaks	1,518.12 (18%)	1,691.00 (19%)
Related to fuel consumption by the Group's vehicle fleet	625.08 (7%)	391 (4%)
<b>Scope 2</b>	<b>3,426.19 (40%)</b>	<b>3,389.00 (38%)</b>
Related to the production of electricity purchased by the Group	2,961.90 (35%)	3,055.00 (34%)
Related to the consumption of steam, heat or cold purchased within the Group	464.29 (5%)	334.00 (4%)

Energy (buildings and own fleet of vehicles) has an impact equivalent to **8,994 tonnes of CO<sub>2</sub>** against 8,476.25 tonnes in 2020 (6% increase). 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.

## Reducing Scope 1 and 2 carbon footprint

### REDUCTION ACTION PLANS

#### ○ Concerning energy efficiency

**Afibel** and **Damart France** have carried out energy audits that have identified potential sources of savings, particularly in terms of insulation, installation of LED lighting and the installation of twilight detection.

As we are aware of the urgency of seeking energy sobriety, action plans have been drawn up by all the Group's banners. This year, energy consumption (gas and electricity) for the Group reached **34.212 GWh** consumed for building use. Efforts should be continued and intensified.



- For headquarters :

**Damart Belgium** would like to install photovoltaic panels at its headquarters and thus invest in a sustainable energy source. The first step will be to study the feasibility of the installation.

A Green IT project will be launched within the Afibel teams. The aim is to make colleagues aware of the energy impact of the use of IT tools.



- For stores

**Damart Belgium** and **Damart France** are working towards reducing the energy consumption of their sales outlets. New store concepts are being studied.

- For warehouses :

The installation of a new condensation boiler and solar panels on the logistics site of **Damart France** and **Damart Belgium** are under consideration.

- For the production plant in Tunisia:

As part of the MESQ project and the development of its Health, Safety and Environment policy, the **DMT production plant** is in the process of writing its environmental policy, the objectives of which are as follows:



- Developing knowledge through continuous training; in safety, environment, hygiene, etc.;
- Improving environmental protection and pollution prevention;
- Meeting all legal, regulatory and other compliance requirements relevant to our business area, Safety, Environment ...; and.
- Continuously developing our HSE management system to ensure that it remains relevant and effective.

#### ○ Regarding the vehicle fleet

Afibel and **Xandres** wish to promote the use of electric vehicles internally: through the catalogue of company vehicles offered, by increasing the number of electric vehicles, and the installation of EV charging stations at their respective headquarters.

- Electric vehicles :

**Damart France** has set itself the goal of reducing the carbon emissions of its company car fleet.

- EV charging stations:

At **Damart France** and DSB, the installation of charging stations for electric vehicles was completed in October 2021 to equip all 3 sites:

- At the logistics site and the **Damart France** headquarters, 2 double charging stations have been installed, so 4 charging points per site.
- On DSB's site: 3 double charging stations have been installed, which represents 6 charging points (2 stations in the front car park and 1 station in the rear car park).

The company that has been selected is INDELEC Mobility. It is a local company based in Douai (Hauts de France) and the stations are manufactured in France.

The installation of EV charging stations is also being considered at the **Damart Belgium** headquarters.

#### ○ RE Customer travel

The impact of customers travelling to stores is equivalent to **28,840 tonnes of Co2 eq (against 30,100 tonnes in 2020)**. 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.

## The Carbon Footprint of Transport

Transport and logistics to deliver products have an impact equivalent to **13 534 tonnes of CO<sub>2</sub> eq (against 10,100 tonnes in 2020)** at Group level. Transport is divided between inbound and outbound transport.

**Distribution of the impact of freight**  
(in tonnes CO<sub>2</sub> eq)

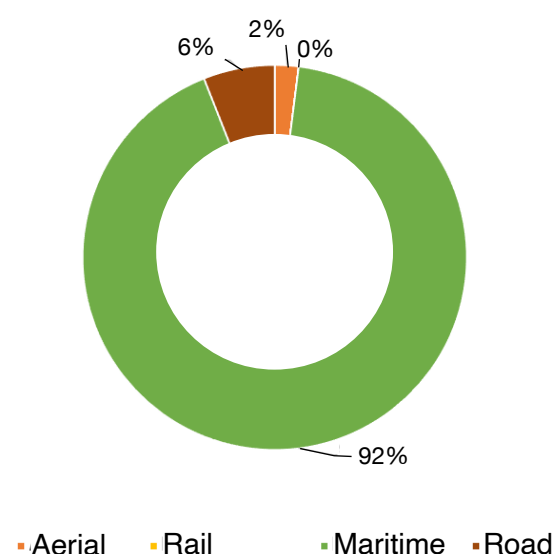


- Inbound transport (which represents 51% of the impact of the item):

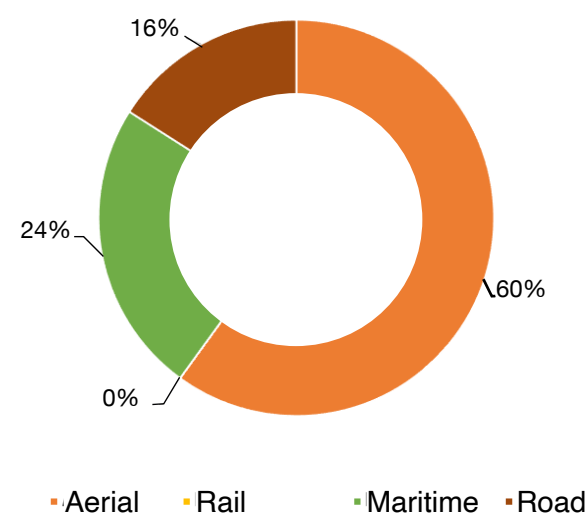
Inbound transport covers the flow of goods (road, sea or air freight) between suppliers and the Group's warehouses.

The seaway, which is economical and boasts a reduced environmental impact (lowest ratio of tonnes of CO<sub>2</sub> eq/tonne.km), is by far the preferred mode of intercontinental transport for all the Group's brands. Despite the very limited use of air freight, it accounts for 60% of the impact of inbound transport (in tonnes of CO<sub>2</sub> eq).

**Distribution of modes of transport used inbound**  
(in tonnes / km)



**Breakdown of emissions by mode of transport**  
(in tonnes de CO<sub>2</sub> eq)



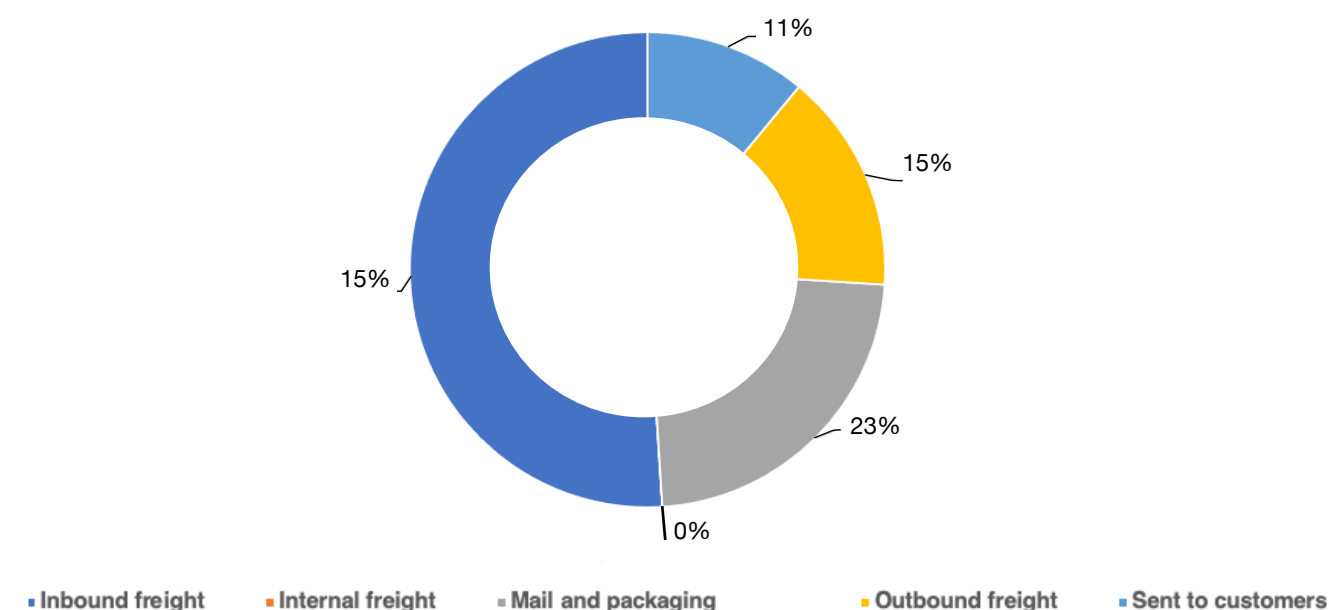
- Outbound transport (which represents 49% of the impact of the item):

Outbound transport concerns supply flows from warehouses to points of sale or customers' homes. 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.

We have chosen to distinguish between the different outbound transport flows:

- Retail network of stores (accounts for 15% of the transport impact)
- Sending mailings and catalogues to customers (represents 23% of the transport impact)
- Customer orders (accounts for 11% of transport impact)

**Distribution of the impact of freight**  
(in tonne CO<sub>2</sub> eq)



French banners (**Damart France**, Afibel, **Sédagyl** and **Vitrine Magique**) have signed FE-VAD's responsible e-commerce logistics charter, based on 10 concrete commitments organized into four major areas:

- Consumer information: raising awareness and informing «Consomm'Acteurs»
- Packaging: reducing the volume of packaging and promoting reuse
- Warehouses and deliveries: relying on environmentally friendly logistics
- Monitoring: reporting on the implementation of commitments



## Reducing the carbon footprint of transport

### ○ Concerning the inbound freight transport

**Coopers of Stortford** is committed to increasing the efficiency of containers. **Damart France** promises to limit its air freight to 5% of the volume of products transported.

### ○ Concerning the outbound freight transport

- For the delivery of parcels

**All of the Group's French subsidiaries** use the services of La Poste for the delivery of parcels, mail and catalogues. For these services, La Poste guarantees carbon neutrality thanks to voluntary offsetting actions carried out in Europe.



**Damart France** is committed to reducing the volume of returns and their environmental impact.

**3 PAGEN** is considering a last mile compensation solution with the carrier.

To limit the impact of distribution and logistics, the **DSB** teams have launched an internal working group that brings together freight experts. Membership in the «Fret 21» scheme organized by France's ADEME is currently being considered.

As it is a duty to inform consumers, Afibel is considering providing better information on the environmental impact of delivery at the time of purchase.



- For sending letters and catalogues

The **3PAGEN** subsidiary in Germany is a partner of Deutsche Post for the dispatch of mailings and catalogues.

The **Damart France teams** have invested in equipment to set up bulk loading from the warehouse (in Hem) to the La Poste's Vouvrain logistics platform. Based on this success, the project is also being rolled out by **Afibel's teams**.

- For internal transport

**Damart France** wants to convert the vehicles used for internal transport (courier) between the different sites to electric vehicles.

To reduce the overall carbon footprint of transport, **Xandres** is committed to increasing the number of more virtuous logistics partners.

## Reducing the carbon footprint of commuting

Travel represents **2,577 tonnes of CO2 eq**, or less than 1% of the overall impact of greenhouse gas emissions.

All companies encourage their employees to use alternative modes of transport to the private car and to work from home.

- **Work from home** was already practised in some of the Group's companies before the lockdown.

**Damart France, Damart Belgique, 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 was a pioneer in this respect and signed it in 2016. 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 Teams.

All the subsidiaries wish to capitalize on these best practices, such as remote interviews or meetings of certain personnel representative bodies.

**3PAGEN** wants to go even further and is currently considering the possibility of working from home up to 4 days a week.

### - Cycling

For many years, several initiatives around cycling have been put in place. At **Damart France**, electric bicycles are made available to colleagues to travel between the Group's various sites located in Roubaix.

Financial aid has been set up for colleagues who wish to acquire a bicycle at DSB, **Xandres, Damart UK, Damart Belgium, Coopers, and 3PAGEN**.

As part of the drive to return to the site, **Coopers of Stortford** is considering a cycle-to-work programme.

### - Carpooling

As part of a travel plan, **Damart Belgium** is committed to promoting carpooling among the head-office staff to limit the individual travel of colleagues.

### - Public transport

**Damart Belgium** also wants to promote the use of public transport among colleagues and customers in stores.

Every year, the colleagues of **Damart France** and DSB take part in the mobility challenge in the Hauts de France region, and have already received prizes on 4 occasions. This year, the colleagues of Afibel participated for the first time in September during the 2021 edition. At **Damartex**, 73 employees took part in this Challenge (including 22 people in **Damart France** stores!) to reduce their CO2 eq consumption. 6318.8 km were travelled without using a car. These kilometres travelled together saved us **1.2 tonnes of CO2 eq**, the equivalent of a flight Paris-New York and back. It was also an opportunity to organize a work-from-home selfie competition, a bicycle repair workshop and a video to engage colleagues.

Thanks to a software solution for collecting and managing the climate strategy, the carbon footprint of activities was measured again this year. By making 2022 the year of the fight against climate change internally, the next step is to build a low-carbon strategy and to steer the results dash-boards with a collaborative tool.





## B. DESIGNING A MORE RESPONSIBLE PRODUCT OFFER

Through its manufacture and use, the product is our primary source of carbon emissions. This is why we have placed eco-design among our major ambitions. Simple, common rules have been defined at Group level to qualify more responsible products. A product is considered more responsible if it incorporates at least one criterion aimed at reducing its environmental footprint: organic, recycled, alternative or labelled raw materials, a less impactful transformation process, European origin (from a country with a favourable energy mix) or proven sustainability.

To allow the product, purchasing, quality and R&D teams to become fully involved in this eco-design approach, a practical eco-design guide was circulated internally to the Damart product teams. This guide on raw materials and production is intended for all Damart business sectors to give the keys to eco-design and imagine the products of tomorrow.

As part of the writing of its sustainability report, the **Xandres** teams defined a matrix of raw materials to be favoured. The matrix is a living document that aims to guide the creative team in making sustainable fabric sourcing choices. Four categories for classifying fibres in terms of their sustainability were defined (category 1 being the best available option). The aim is to achieve an average score of 3 (in 2023) and 2.5 (in 2025).

### More responsible raw materials

#### - Actions implemented at Damart

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. Damart has chosen to certify part of its offer.



#### ○ A Flagship Product: Thermolactyl®

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 : **151 references** sold are certified for 2020-2021 (99 references certified in 2019-2020). The objective is to reach 100% on the underwear range for the 2021 winter collection. The project has now been extended to other products in the range and 80% of the bed linen range has a valid certification (for products sold in France).

**151**  
references  
certified

As part of its commitment to a more sustainable fashion, Damart's priority has been put on its iconic product, the Thermolactyl underwear, by replacing polyester with recycled polyester. Today 100% of the range is made from recycled polyester. To measure our environmental impact on two key items in our collections, we commissioned two specialist research firms to:

- Conduct a Life Cycle Assessment of Thermolactyl® Underwear 102 and Perfect Fit® by Damart,
- Co-construct recommendations on raw materials to limit their impacts, and
- Assess the impacts of these items before and after transformation.

#### **Result of the Life Cycle Assessment of Thermolactyl® 102 underwear :**

**Damart** is committed to an eco-design approach based on the progressive replacement of virgin polyester by recycled polyester, mainly from PET (polyethylene terephthalate) bottles.

Results : For our 81,000 Thermolactyl® 102 T-shirts over their lifetime, we have incorporated lower impact recycled polyester, modified the packaging and dyeing.

- In terms of climate change, we have released 25 tonnes less carbon, which is the carbon footprint of a year for 3 Europeans.
- As for the depletion of fossil and nuclear resources, we have used 600 Giga Joules less energy, which is the energy footprint of one year for 9 Europeans.

The material of which Thermolactyl 102 is made is used in the manufacture of many other Damart undergarments, so, by extrapolation, the 275 tonnes produced annually lead to the following results:

- In terms of climate change, we have released 330 tonnes less carbon, which is the carbon footprint of a year for 40 Europeans.
- As for the depletion of fossil and nuclear resources, we have used 7,500 Giga Joules less energy, which is the energy footprint of one year for 115 Europeans



O A more responsible collection:

**Results of the Life Cycle Assessment of the Perfect Fit® by Damart indigo jeans:**

For our 120,088 Perfect Fit® by Damart indigo jeans over their entire lifespan, we used a washing technique that uses less water and energy and modified the packaging.

- In terms of climate change, we released 58.6 tonnes less carbon, which is the carbon footprint of a year for 7 Europeans.
- In terms of depletion of fossil resources, we used 1,051 Giga Joules less energy, which is the consumption in kWh of a year of 16 Europeans.
- In terms of water resource depletion, we used 27,575 m3 less water, the equivalent of 11 Olympic-sized swimming pools, 2 m deep.



**Jean indigo Perfect Fit®**

On the strength of their experience and following eco-design training, the product teams have expanded the more responsible product line. (As defined by the Group criteria).

Type of materials/labels	OEKO-TEX	GRS/GOTS	Alternative materials	Made in France
Number of references (collections AW21-SS22)	151	117	77	18

The use of a traceability tool to obtain its own certification for Damart products is currently being considered.

**Environmental labelling :**

As part of the compliance with the French Climate and Resilience Law concerning environmental labelling, a project was launched within Damart. The pilot project focuses on «underwear» products manufactured in the DMT factory in Tunisia. After an analysis of the product life cycle, the second step of the project is to think about how to communicate the results clearly to the customers. Various solutions have been considered to date.

**Actions implemented at Afibel**



Despite its choice to prioritize European origin as a more responsible offer criterion, Afibel wished to go further in the

approach and started to develop products from recycled fibres. Until now, recycled yarn has been marketed through a part of the pillows and duvets offer (filling from recycled PET bottles), but it is now entering the Ready-to-Wear market: in the main Winter 2021/22 book, Afibel proposes 2 models, available in 4 colours, with more than 30% of recycled material.

A complete overhaul of the Afibel e-commerce website has made it possible to better distinguish products made in France thanks to a new «French manufacture» logo. The same applies to the Oeko-Tex certified products in the collection, which also have their own section.

**More responsible manufacturing processes**

**New for Perfect Fit®, the iconic product of the Damart brand**

Thanks to the cooperation with the main denim supplier in Bangladesh, the environmental impact of the production of this article could be reduced. Investment in new Jeanologia 'stonewash' technologies, specifically their ozone stonewash technique, has saved 4 million litres of water for the purchase of 125,000 pieces since the process was introduced. All Perfect Fit® denims are produced using this technology.

All Damart products that are the result of a more responsible approach and meet the eco-design criteria are stamped on the e-commerce website in total transparency for customers. An «eco-friendly product» logo was created and deployed by the communication 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 and exotic leather more recently.
- For 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 live plucking.



European 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 provided that the country has a favourable energy mix (less impacting than the European average). The following countries could therefore be considered: Albania, Austria, Belgium, Croatia, Denmark, France, Hungary, Italy, Latvia, Luxembourg, Netherlands, Norway, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland.

For the Fashion division, Afibel has chosen to make it a real axis of differentiation and favours the sourcing of its products in Europe, 47% of the collection’s references are manufactured in the European Union in one of the above countries (compared with 65% last year under the old rules).

Eco-design for Home & Lifestyle brands

The policy of the Home & Lifestyle brands consists in promoting the environmental interest of certain products: alternatives to plastic products, to insecticides, to industrial household products, to electrical products. The sourcing of cosmetics, phytotherapy and care products is mainly of European origin.

Overall, 16.3% of the Group’s products in the 2021-2022 collections fall into the eco-responsible product category according to the framework set by the Group, particularly in terms of raw materials and origin. This represents a decrease of approximately 4% (against last year) due to the tightening of eco-design rules set by the Group. The table below shows a difference in maturity between the brands.

Rate of eco-designed references

DAMART*	AFIBEL	XANDRES	3PAGEN	COOPERS OF STORTFORD	SEDAGYL
8.42%	57.32%	80%	2.35%	33.77%	0%

The objective is to reach 100% by 2030.

\*Damart has chosen to count only the French origin for the provenance in the eco-design criterion.

Product Sustainability

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.

More generally, the Group’s brands do not have a policy of multiplying collections and the fact that most of them were originally mail-order companies means that they have a high rate of carry forwards, which does not encourage overconsumption.

Carry forward rate of collections:

DAMART	AFIBEL	XANDRES	3PAGEN	COOPERS OF STORTFORD	SEDAGYL
76% (75% in 2021)	41% (54% in 2021)	24% (27% in 2021)	97% (77% in 2021)	85% (70% in 2021)	79% (79% in 2021)

Use of products

- Care tips for customers

Fashion brands (Damart, Afibel, Xandres) are keen to raise awareness among customers about the care of their clothes to extend their life cycle. Damart and Xandres have a dedicated page on their websites. Xandres gives access to twenty tips on how to wash, dry, iron or repair their clothes or how best to store them in their wardrobes.

- Customer Survey Conducted by Damart

Through the new Smart Care project led by Damart’s Quality team, a customer survey was carried out among consumers in 3 countries: France, the United Kingdom and Belgium so as to better understand their clothing care habits: choice of detergent, use of washing machines, choice of temperature, frequency of washing, use of the tumble dryer, etc. Even if customers already have best practices, a guide is being written to help them adopt responsible eco-actions through to a list of recommendations based on the following themes:

- Limiting the washing temperature;
- Reducing the amount of detergent;
- Optimizing the filling rate of the machine; and
- Using less polluting detergents

One third of the total environmental impact of a garment or textile can be attributed to the way consumers care for (wash and dry) their clothes (Lynsey Dubbeld, ‘Mode voor Morgen’). It is therefore essential to raise awareness in this area as well.

- The Repair & Care Programme at Xandres

The Xandres brand has introduced ‘Repair & Care’, a programme to help customers extend the life of their clothes. The brand commits to repairing clothes indefinitely (regardless of the date of purchase). The damaged Xandres item must be returned to one of the stores and will be repaired free of charge. Alterations to adjust Xandres products to the individual’s body shape can also be passed on to the tailoring teams. A list of fixed prices is posted on the website.

Xandres also undertakes repairs and alterations for other brands of clothing. They can be performed in the workshop (in Destelbergen). But to avoid unnecessary transport, the company works with a network of local partners for other repairs (list available on the website).



## The Products' End of Life

**Damart, Afibel and SilverEdge** have historically been members of the EPR (Extended Producer Responsibility) Re-Fashion network (Textiles, Household linen, Shoes). Damart is also one of the partners and, since 2021, a permanent guest on the Board of Directors. Through their eco-contribution, these banners have been instrumental in the transformation of the textile industry towards the circular economy, with priorities such as innovation, eco-design, environmental labelling and the integration of recycled materials from used THLSs.

The amount of the THLS eco-contribution for the Group's French brands **for 2021 reached €408,000.**

**Damart and Afibel** tries to raise its customers' awareness on this end-of-life issue. Thus, the brands have committed alongside other brands in the #RRRR communication campaign initiated by the Re-Fashion organization from 8 to 17 October 2021, to talk about the repair and second life of clothing and shoes on their websites and in social media (Facebook, Instagram, Twitter).



### • Collection of Used Clothes at **Damart**

This year, Damart wanted to go further and carried out a first collection of the brand's used products in a network of 55 participating stores from 1 to 21 June 2022. Through this collection in partnership with Le Relais, Damart carries out environmental, social and societal actions of general interest:

- To contribute to the reduction of waste and to act in the face of environmental problems by giving a second life to textiles that are put on the market (reuse or recycling);
- Raising customer awareness of textile recycling; and
- Participating in the fight against exclusion

The operation was a success for both the sales team and customers! Nearly 3,000 pieces were collected. A qualitative study was carried out in July in 2 stores to analyse the quality of the collected products. The operation should be repeated during the #RRRR campaign in September.



## The circularity of models

### Product recyclability:

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

### Actions implemented at Xandres

Since 2018, **Xandres** has been actively involved in 'Close The Loop Programme', a Belgian working group. This initiative focuses on the transition to a circular economy and the integration of circularity principles in the supply chain and in the daily interactions between designers, suppliers, production sites, stores and retailers.

On the other hand, **Xandres** is looking at how to integrate the circular economy into its daily approach. The company participates and invests in innovative projects. In 2021, **Xandres** was selected to work with eighteen international partners on a closed-loop textile recycling system. This Horizon 2020 project is called SCIRT. The aim is to create circular items from used clothing by collaborating with research institutes, recycling companies and other European brands.

### Actions Implemented at Damart

Fervently committed to innovation, Damart's R&D team is thinking about recycling the Thermolactyl® mix, Damart's flagship product. To create and produce Thermolactyl® underwear, the DMT plant uses «intimate», technical, value-added mixes.

To recycle production «scraps» (offcuts, nonconforming products, etc.), studies have been initiated to recycle cutting scraps 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 were carried out on the Hollywood mix to identify different processing options and to assess their recycling potential.

Today, the project is being marketed for the Autumn/Winter 2022 season via the new Thermolactyl®-approved recycled duvet. This «Made in France» product is made by COMPAGNIE DUMAS using a blown filling from the fraying lines of the European Centre for Innovative Textiles (CETI). Other products are being developed, such as down jackets and jumpers, which are currently at the prototype stage. Finally, a collection in partnership with the brand 1083 and Manufacture des Vosges should be launched soon. The cutting waste will be supplied to produce Made in France jeans.

This project was the subject of a presentation at the eco-design morning organized by Re-Fashion in late February 2022. On this occasion, the **Damartex** CSR team and the Damart R&D team gave feedback on the eco-design approach and the material strategy carried out internally around Thermolactyl®. They also discussed the difficulties encountered, the commitment of the staff and future developments. The other brands present gave very good feedback on the approach taken. It is a chance to deliver expertise to other market players.



## Recycling of Home & Lifestyle products

**Coopers of Stortford**, aware of the impact generated by products sold at the end of their lives, has come up with solutions:

- Offering a spare part service: the project is currently being planned
- Setting up a community recycling centre on the store's car park for customers.

## Unsold and defective products

Product non-destruction policy:

All 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 and Sedagyl (for the 2021-2022 financial year)*

Damart			Afibel	3PAGEN	Coopers of Stortford
FR	BE	UK			
4.55%	1.33%	1.47%	1.98%	8.1%	0.44%

## Focus on the Fashion division

**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 et Croix Rouge), or offered to employees when internal sales are organized.

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

### - Actions implemented at Damart

Regarding second-choice products (with minor conformity defects), following quality controls at Damart and customer returns, partnerships with charities have been established. **35,090 items** were redistributed this year.

Concerning items from quality control, **Damart France** has formed a partnership with SolidarCité, an association which works towards professional inclusion, digital inclusion, equal opportunities, and entrepreneurship in Roubaix. Damart delivers the nonconforming products to SolidarCité (**16,727 items** over the financial year) which sorts and resells articles with minor defects in jumble sales. For items resulting from customer returns (**10,279 items**), donations were made to the following charities: The Red Cross, La 2ème Chance, Secours Catholique Amiens, Restaurant du Cœur, AUKR (Ukraine), CH Nanterre.



At **Damartex UK**, all the items, which represents **8,084 items**, were donated to the Shelter charity.

Finally, Damart's second upcycled collection (**11 references, representing 581 pieces sold**) came to stores in France in Autumn-Winter 2021. Damart, alongside Modimalisme, is aware of the urgent need to reduce the impact on the environment, and is committed to the circular economy for a more responsible, ethical and supportive fashion that consists in giving a second life to unsold goods! This collection presents limited series of unique pieces. Sleeveless down jacket, pyja-shorts, boxer shorts, fanny pack, dog coat, tablet cover, wellness kit, furo-shiki... All the pieces of this limited series come from the recycling of down jackets, textile surplus and household linen... Forgotten textiles whose potential has been re-revealed as a valuable resource.

In an ethical and solidarity-based approach, the making and reconditioning of the products have been entrusted to ESATs, aiming at the professional reintegration of disabled people and an association helping women who are far from employment.

### - Actions implemented at Xandres

**Xandres** has created the **Xandres Lab** to focus on experimentation and innovation. This means moving from a linear design-make-discard model to a system that avoids waste and reuses and recycles items at the end of their lives. The ambition is to reuse the remaining fabrics.

By teaming up with committed and innovative designers and brands, **Xandres** supports labels that share the same values. For example, **Xandres** has teamed up with Belgian shoe brand Edel Van Riet for the Spring/Summer 2022 collection. From this **Xandres** x Raramuri partnership, more sustainable sandals have been developed and offered for sale:

- The sandals' interchangeable ribbons are cut from fabrics from the summer collection, avoiding unnecessary waste.
- The laces can be purchased separately and by the unit.
- The sandals are made from fully sustainable materials such as biodegradable burlap, eco-friendly rubber and leather and water-based glue.
- The ribbons are handmade in a local workshop which minimizes waste and the consumption of water and energy.

## Focus on the Home&Lifestyle division :

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



DAMART x modimalisme



## C. LIMITING AND ELIMINATING PACKAGING WASTE

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.

All subsidiaries have set up a waste sorting system in their offices and warehouses in order to reduce waste and optimize the collection of recyclable waste.

- Generation of hazardous waste at Group level (tonnes): 1 tonne
- Generation of non-hazardous waste at Group level (tonnes) : 4 710 tonnes
- Percentage of waste reused, re-employed or recovered (internally or externally) at Group level: 85%

**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 that includes:

- Waste sorting
- Reduction in the consumption of fabrics and metal parts
- The elimination of the plastic film used for the storage of products



### Focus on plastic waste

**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 2020-2021 financial year, 886 tonnes of plastic were used by all the Group's brands. This is mainly:

- Polybags to protect products coming from suppliers **321 tonnes**;
- Shipping bags for shipping to e-commerce customers **289,7 tonnes**;
- Plastic film that letters and catalogues **275,83 tonnes**

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

The first step in the strategy to reduce single-use plastic packaging is to replace it with recycled plastic. The second step, when possible, is to remove them or replace them with paper or cardboard. Finally, a new innovative solution with plastic-like properties is being considered.

### Regarding plastic polybags

#### ○ Elimination of plastic polybags

Since July 2021, has launched a new plastic-free packaging, in recyclable cardboard for the whole underwear collection available in stores.

Non-sensitive Damart textiles products without polybag, from certain suppliers, have been delivered. This represents approximately **46 tonnes of plastic packaging avoided**.

Damart has also committed to join the joint action of the Fashion Pact called «Paper based polybags alternatives». The idea is to join forces with other brands in the sector to find the best alternative to traditional plastic polybags. Surrounded by the (Re)set teams, large-scale tests will be carried out to find a sustainable and economically viable solution.



#### ○ Improved Recycling of Plastic Polybags

On the other hand, in order to ensure the recycling of plastics at the warehouse, since September 2019, the plastic bags of Damart textile articles stored in France are removed before being sent to stores. They are then compacted in a warehouse and sent to a plastic & cardboard recycling company. This represents approximately 15 tons of plastic per year that is now recycled.

### Concerning Films Around Letters and Catalogues

All the Group's subsidiaries are working to eliminate plastic film from mail and catalogues.

- At **Coopers of Stortford** since 2020, 5 tons of plastic have been avoided each year thanks to the sending of almost 3 million letters and catalogues without plastic film, thanks to a process of printing the addresses directly on the catalogue.

When plastic films are still used for letters, they are made of 100% recycled material, and comparative tests have been carried out with biodegradable plastics but also by integrating promotional offers printed directly inside the catalogue

## D. ACTING FOR BIODIVERSITY

To better understand the issues related to biodiversity and the impact of the company on the latter, the CSR department of **Damartex** wished to organize, in partnership with Réseau Alliances and the Global Compact Network France, a morning of exchanges:

«Rencontres pour la biodiversité (Meetings for Biodiversity)» in April 2021. More than **80 people** were present to listen to the testimonies of the region's companies. The 10 companies (Ekodev, Lemahieu, Beecity, Ag2r La Mondiale, Leroy Merlin, Pocheco, McCain, Anaïk, ENE-DIS - Nord-Pas de Calais and Rabot Dutilleul Construction) shared their best practices. Alone you'll go faster, together, we'll go further!



Following this morning session, a visit to the Pocheco company was made at the end of June with the Damart FR, DSB and Afibel teams. It was very rich in experiences and above all in lessons learned. Based on a real conviction and desire on the part of its Chairman, this company has been able to gradually implement real concrete actions which today make it a pioneer

in the field of CSR. These actions were carried out step by step over time, involving all employees, investing in human and financial resources and taking into account a long-term ROI.

«The wooden box, the Tornado, the green roof, the Adiabatic cooler» are all concrete examples that show that it is possible by pulling the thread together to combine efficiency, productivity, and social and environmental responsibility.

These different sessions of exchange of best practices have given ideas to the Afibel teams who have carried out new developments on the Villeneuve d'Ascq site. The Biodiversity Team has mobilized to turn outdoor spaces into pleasant and environmentally friendly places to live! Good humour and togetherness were the order of the day!

In total, over **80 plants** have been installed. Fruit trees, countrified hedges, beech trees... All this for a greener and healthier environment!

In mid-March, the teams began installing bug hotels that will provide shelter and food for wildlife. Workshops to learn how to make a beautiful insect nesting box, which aims to facilitate the survival of insects and arachnids, were delivered in-house.

- At **Damart France**, since January 2021, many letters and catalogues have been sent without plastic. This has resulted in a **38%** reduction in the volume of plastic used.

Made of biodegradable and recyclable paper, this innovative packaging protects the documents sent to customers and ensures the envelope holds shape and remains attractive.

### Regarding shipping boxes to customers and customer returns:

#### ○ Actions implemented by the Fashion brands

Since November 2020, Afibel, **Damart France** and **Damart Belgium** have used only plastics with a high recycled plastic contents to send parcels to their customers and to reintegrate returns into their stocks. This is a first step towards finding the least environmentally damaging alternative.

A first test of 50,000 pieces shipped in paper bags by **Damart France** took place in early June 2021. A customer telephone survey is underway to draw the first lessons and to adapt this package as well as possible to a quality delivery to our customers. Customer feedback has been very positive. However, for budgetary reasons the project had to be postponed to 2023 to be extended to all Damart business units.

#### ○ Actions Implemented by Home & Lifestyle Brands

At **3PAGEN** with the introduction of the new men's catalogue, it was decided to send all items in cardboard boxes instead of plastic packaging. 41,000 cardboard packages were sent to customers. This new parcel concept has saved over 3,000 kg of plastic.

As of August 2020 **Coopers of Stortford** has replaced customer shipping bags with fully recyclable PE plastic.

As a result of these initiatives, the total volume of plastic used in the business has decreased by approximately 27%.



# Part 2. Committing to POEPL

## Our ambitions:

1. Develop the most important capital, the human element and the CSR culture at the heart of the Group and its ecosystem
2. Working in long-term partnerships with suppliers who share the Group's ethical requirements.
3. Apply the principles of fair practice and ethical communication

**By 2030 :** 100% of purchasing volume from audited factories et 100% of employees committed to CSR.

## Employee Engagement

The deployment of the Change Our World program is based on the involvement and contribution of each employee. This includes training, awareness-raising, internal communication and the organization of forums for the exchange of best practices among the Group's brands.

To help each colleague take ownership of our challenges and ambitions and to encourage commitment, we are building internal communication tools. Each quarter, the following are published:

- One newsletter per brand; and
- A press review that includes the most impactful initiatives of each banner.

These initiatives allow each colleague to be informed and involved in the deployment of CSR actions.

At Damart, the Change Our World Event took place in July 2021. 14 colleagues from the three BUs (France, Belgium, UK) and the DMT factory took part in the event to exchange and share their best practices based on the Group's three CSR areas. Several topics were discussed: eco-design, carbon footprint, traceability, communication, Foundation... This first-ever event brought together 162 participants



With the same ambition, **Damart UK** launched the Damart Hub: an intranet where colleagues share all kinds of information and best practices. A Change Our World section is dedicated to CSR actions.

At Afibel, CSR project leaders proudly assert their ambitions on social media, about the subjects they are deploying: near-shoring, energy savings, packaging... These communications will be made public on the company's various social media (Instagram, LinkedIn) from August 2022. In the same vein, Afibel's female colleagues posed for a Mother's Day photo shoot, which was featured in the Autumn-Winter 2022 catalogue.



In June 2022, the Chief Sustainability Officer assembled a team of 18 superheroes from all the Group's companies to address the Executive Committee on the subject of the climate urgency. As part of our Change Our World ambition, these superheroes have volunteered to push their leaders to take concrete action for the planet by grouping together a number of issues: carbon footprint reduction, corporate actions, water pollution.... Together they thought of a "show" in the form of a TV programme: the **Resigna'show**. To back up their statements, they called on Yvan Bourgnon, founder of The Sea Cleaners, an NGO, to discuss the real impacts of pollution on the oceans. Mission accomplished: each member of the Executive Committee sent in a sheet mentioning their BU's concrete commitments to reducing its carbon footprint. A first-of-its-kind event will be held in September 2022 to present these action plans.

Recognition by peers at external events thanks to the testimonies of project leaders is the ultimate recognition of a successful CSR policy. In 2021, the Group participated for the first time in the **27th edition of the Trophées de l'Economie Responsable** (Responsible Economy Awards) organized by the Alliances Network, which rewards innovative companies and organizations committed to the responsible economy in the Hauts de France region. We are proud to have received positive feedback from the jury, but especially to have been awarded the prize in the category of +3000 employees and to have obtained the **GOLD-Engagement mention** thanks to an average of over 16/20.

# A. HAPPY AND TALENTED COLLEAGUES

Since 2019, the **Damartex Group** has gradually embarked on a transformation process by reinventing its operating methods. This approach depends on the women and men who make it successful every day.

The **Damartex Group** has **3,113 employees** as of 30 June 2022, **87%** of whom are on permanent contracts.

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 grow in a secure environment, where it is pleasant to work and where everyone has a chance.

Moreover, the average number of years of seniority this year was **9 years**, which demonstrates a real attachment of colleagues to the various brands.

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



- The development of external communication on the LinkedIn network (on the **Damartex Group** page) has supported the highlighting of brand news, the publication of internal events, the sharing of posts from the Foundation and the Seniors' Observatory. An external communication plan has been put in place to keep the momentum and publish regularly on social media (every week).

- **Afibel** is currently developing its new recruitment website. It should be launched before the end of 2022.

Onboarding was a very important focus for the Group this year, and several actions to strengthen the induction process were implemented:

- Creation of an induction programme for new colleagues.

**Damartex Corporate** is introducing an induction path on the e-learning platform, called «induction e-path». The aim is to provide a better understanding of the Group and its internal tools and to make it easier to find information. The manager provides a series of videos related to the newcomer's job. There are 2 types of videos: :

- **Videos for all** : Presentation of the transformation plan (Transform to accelerate), (Re)Inventing Damart 2025, presentation of collaborative tools (Teams, Microsoft Office suite...).
- **Business-Specific videos** : buyers (video explaining the PLM tool), accountants...

- Integration of a large number of sandwich-course students and creation of a community.

Since 2021, the Group has been taking on work-study students in all types of jobs (communications, responsible purchasing, legal, auditing, IT, marketing/merchandizing, etc.).

On arrival, they are brought together for a presentation of the company and are handed over administrative documents. This meeting is also about introducing and getting to know each other.

- Creation of a web series on the LinkedIn social medium entitled «Ça bouge chez Damart» (A lot is happening at Damart).

The web series, which is currently being written, will consist of several episodes, the principle of which is to highlight innovative projects, the recruitment of work-study students and the presentation of the wealth of professions. The communication strategy has been written, including the tone of voice to be adopted (modernization and innovation), the duration, the number of episodes and the frequency of broadcasting (every other month). The first who were asked to participate in this project was the information technology (IT) department.

- Publication of a Monthly Newsletter: The **Damart News**

This year, Damart's internal communication department has focused on communicating in a more transverse way on the different projects carried out internally: discovery of the different departments, feedback on actions in stores or at headquarters. The aim is to create a connection and a sense of belonging between the teams. In the first half of 2022, **6 newsletters** were shared.



## Recruitment Policy

Within the **Damartex Group**, colleagues 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 favour internal mobility.

In 2019 for the first time all colleagues had access to all Group job vacancies. The international mobility procedure and a mobility charter have been drafted.

To improve internal and external communication, a new **Damartex** Corporate entity was created this year to group together the services that work for all the Group's subsidiaries: General Management, Finance, Legal, Strategic Marketing and CSR. Their change of entity took place on 1 January 2022.

- Group turnover rate: **17%** (2020-2021: 10%).
- Number of permanent hires during the 2021-2022 financial year for the Group: **465 people** (2020-2021: 289).

As part of its policy of integrating young people, the Group is developing sandwich course programmes and giving young people access to a first professional experience. In addition to the induction and inclusion programmes in place in all the entities, **Damartex** wishes to support young people throughout their work-study year by giving them responsibilities and concrete assignments. At the end of the year, a survey was sent to them on the corporate culture, the content of the assignments and the skills developed and flexibility. The results of this survey will be available at the beginning of the school year 2022. In addition, a «post-sandwich course» support programme is being considered, the aim of which is to guide and train work-study students for job interviews (preparation of CVs, simulated job interviews, etc.).

At **Damart France**, an assertive placement policy has been developed with secondary schools in Roubaix. As a legacy employer in the area, we give students assignments that are appropriate to their level of education. Students are put in a learning situation, so that they emerge more competent in their field and have experienced teamwork and collaboration in a context of strong transformation. The courses are therefore very formative.

This year, a total of **958 placement and work-study agreements** were signed for all the Group's entities.

**958**  
placement and  
work-study  
agreements

## 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 its 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. (Including through the Ateliers Eclairs [flash workshops] set up by **Damart France**).

**Damart France** and DSB colleagues also have permanent access to Eurêka, an e-learning platform. The latter offers 41 online training modules, with concise and targeted content, and aims to encourage flexibility and ramp up the development of team skills. \*These online courses are not counted in the training rate.



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

Collective and cross-functional training included training for shop teams on the new cardboard packaging for underwear and e-learning courses on cybersecurity (including phishing techniques), on the GDPR and on textile (for store teams, which includes elements on recycled textiles).

It should be noted that at **Damartex UK**, compulsory training courses are delivered to each newcomer.

- Group rate of access to training: **48%** (58% in 2020-2021).

Within the new **Damartex** Corporate entity, the training policy could only be deployed when the entity was created in January 2022.

- Number of employees who have completed at least one training course at Group level: **1676** (1926 in 2020-2021)
- Training budget at Group level: **€1,275,000** (€877,000 in 2020-2021)
- Average number of training hours per Group employee: **8 hours** (9 hours in 2020-2021)

<sup>1</sup> **Not counted in the training rate.**

## Workplace wellbeing

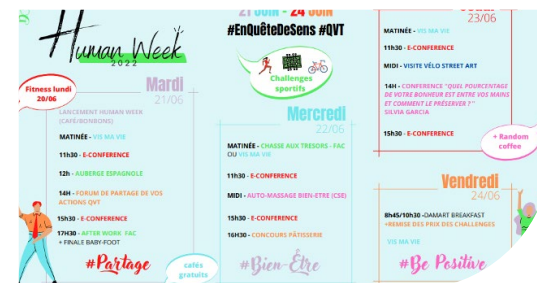
The challenge of wellbeing at work is a sine qua non condition for the future of the Group, a guarantee of performance, competitiveness, but also of attractiveness towards new talents. For the Group, this is a voluntary and sustainable approach of the company, a key factor of success for today and tomorrow.



**Damartex** uses the «QWL wheel» and its 9 sources to evaluate the quality of work life: the purpose, content of assignments, role, recognition, atmosphere, working conditions, processes, work-life balance and sense of belonging.

This year, several actions took place within the Group's various companies to strengthen the quality of work life:

- **Afibel** led the national QWL week internally, driven by colleagues. A team challenge was organized that included a pétanque tournament, sports and creative games, bicycle outings, com' cafés to meet colleagues, karaoke, ... and the inevitable BBQ that brings together all colleagues.
- Within **Damart France** and DSB, Damart's support services entity, several actions were carried out as part of Human Week, which took place from 21 to 24 June: e-conferences, vis-ma-vie/in my shoes, competitions (sports, smiles photos and bake off) ... and a keynote by Sylvia Garcia, former Director Global Marketing Communications, Innovation, Leadership, Futurist, Happiness Institute at Coca-Cola. Colleagues were able to ask her questions following a lecture on maintaining happiness in uncertain times. A questionnaire was sent out at the end of the Human Week to find out what the participants thought and to obtain suggestions for improvement for next year.

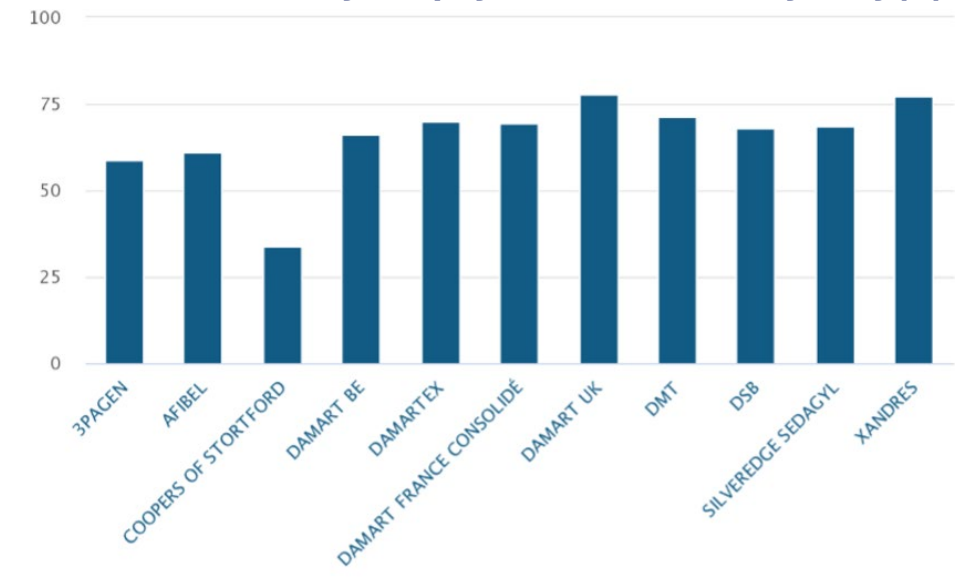


## Employee survey

In 2017, a first survey was carried out in all **Damartex Group** banners. A new questionnaire was developed in 2020 and circulated to employees of Damart BE, **Damart UK**, DMT, SilverEdge and **Xandres**. Given the restructuring context at that time within the two French units of Damart, **Damart France** and DSB, the questionnaire was not circulated there.

In September 2021, the **Damartex & You** survey was conducted for all entities in the **Damartex Group**. This is a 24-question questionnaire based on the «QWL wheel», which is available online to colleagues with permanent contracts. The response rate was 65% and the overall Group satisfaction rate obtained was **65.75%** (in the previous survey conducted in 2017, it was **85%**). In addition, the investigation was extended to new areas of the group, including the DMT production plant and the logistics warehouse.

Results of these surveys: employee satisfaction rate by entity (%)



The dissemination of the results allowed for the appropriation of the quality of work life at the level of the entities and the refinement by department of more than ten people and the comparison with the results of the 2017 survey. Within the new **Damartex** Corporate entity, colleagues were grouped into teams with the aim of reflecting on «balloon» actions that symbolize pride, and «suitcase» actions to improve. An action plan was then put in place to maintain and develop the quality of work life.

Agility is the ability of an organization to satisfy its customers and employees while adapting to changes in a timely manner. As part of «Transform to accelerate 2.0», **Damartex** has set itself the objective of evolving and improving its agility by translating this desire into concrete action in our daily lives. A survey is conducted about twice a year to find out how employees feel about the concept of agility in their professional environment.

## 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 **3PACEN** 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 2017. Further discussions are underway to review the number of days allowed as a result of the new work patterns. 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.

The creation of the **Damartex** Corporate entity led to further discussions and a revision of the work-from-home agreement for this new entity. Still at the draft stage, the spirit of this agreement is to promote flexibility and therefore wellbeing at work, while remaining voluntary. Communication with the manager is essential: the concepts of trust, exchange and autonomy were strongly emphasized.





## Health & Safety

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

- Group absenteeism rate: **7.4%** (7% in 2020-2021).
- Rate of absenteeism due to illness and work-related accidents Group: **6.5%** (6% in 2020-2021)
- Number of accidents resulting in lost time (1 day or longer) at Group level: **52** (54 in 2020-2021)
- Workplace accident frequency rate (Group): **8.92** (8.87 in 2020-2021)
- Severity rate of accidents at work (Group): **0.21** (0.22 in 2020-2021)

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.

At DSB, the first aid team was renewed in May 2022. Eight colleagues were trained for two days in first aid. They each have the necessary equipment to provide first aid while waiting for an ambulance. The procedures have been reviewed and are available on Teams.



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)



Previously mentioned in the environmental framework, DMT launched its MESQ (Environmental, Social and Quality Management) project in 2022. The latter includes a section on improving the health and safety policy of the plant's employees.

## Social Dialogue

Group companies are constantly seeking to maintain close links with social partners. Any opportunity to exchange with them is exploited to keep in contact and maintain the dialogue. Meetings for discussion and work are organized every month with the CSE of each entity, every quarter with the Health, Safety and Working Conditions Commission of each CSE, with the elected representatives and the representatives of the trade unions. The purpose of this is to inform them on current issues, on the life of the company, on the general running of the company or establishment, and to gather their opinions, their requests, and their 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. Of course, the group has negotiated and signed various collective agreements over the past year (work-from-home agreement, agreement on gradual retirement, salary agreement, etc.)

- Number of meetings with employee representatives over the period at Group level: **180** (220 in 2020-2021).

## Territory Rejuvenation

The 2020 Employment Safeguard Plan led to the signing of a rejuvenation agreement between the French State and **Damartex** on 22 September 2021. The obligation set for **Damartex** is to support the creation of 55 jobs.

The overall budget allocated by **Damartex** for the implementation of the rejuvenation mission amounts to €253,935 for the creation of 59 jobs. We wanted to prioritize the allocation of funds to projects related to the senior population, the textile world, innovation, industrial relocation, and positive impact. The territory selected for these job creations is that of the district of Lille.

## 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 equal opportunity policy (gender mix, equal treatment, employability of seniors, etc.)

- Percentage of seniors in the Group workforce: **22.06%** (22.25% in 2020-2021)
- Average age of the Group workforce: **42** (43 in 2020-2021)

The **Damartex Group** has signed the charter of commitments to promote the place of the 50+ in the company. This unprecedented act is broken down into 10 key commitments relating to recruitment, training, job retention, support for career development, well-being at work, retirement and awareness raising of age-related stereotypes. In this context, **Damart France** has signed an amendment to the gradual retirement agreement for all employees in mail order and in stores.

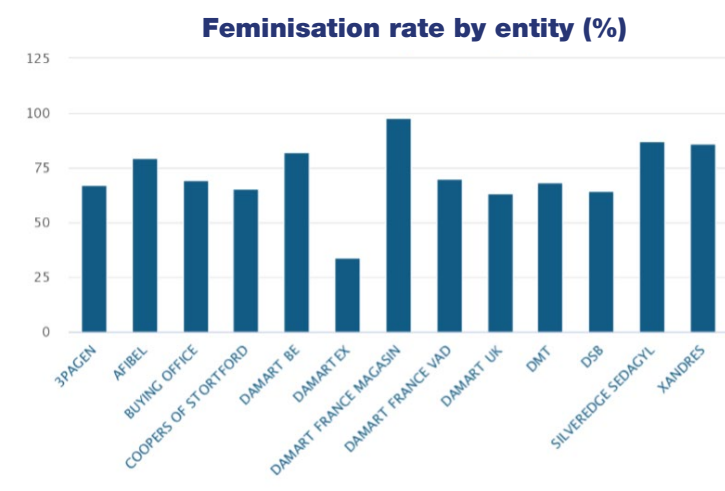


In addition to their commitment to the senior target, the Group's brands are committed to:

- 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.

At **Damart France**, an e-learning module promoting diversity has been made available to recruiting managers.

The **Damartex Group**'s workforce is characterized by a very strong presence of women since women represent 73.9% of the employees as of 30/06/22. (Against 75.8% in 2020-2021). 65.72% of the executives (or managers) workforce are women (67.46% in 2020- 2021) (67,46% en 2020-2021).



### 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. The criteria are as follows: pay gap, gap in the distribution of individual increase rates, distribution of promotions, gap in increases upon return from maternity leave, gender parity among the highest paid.

- **Damart France : 94**
- **DSB : 88**
- **Afibel : 85**

**Damart Belgium** has also chosen to calculate it voluntarily:

- **Damart Belgium : 92**

### 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, flexi time, etc.).

- Share of disabled employees (in French subsidiaries): **8%** (6% in 2020-2021)
- Share of employees with disabilities at Group level: **5%** (4% in 2020-2021)

## **B. RESPONSIBLE PURCHASING**

The **Damartex Group** subcontracts the production of most 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 implemented a responsible purchasing policy since 2013 and opened its first Home & lifestyle purchasing office in Shanghai. Since its opening in January 2018, The Group's presence in China through this office has enabled the Group to strengthen the traceability of the H&L product supply chain with local teams travelling to production sites.

A bi-monthly review of Responsible Purchasing indicators (site visits, checklists, questionnaires, and social audits) is performed with the CSR team in the form of videoconferences. To go further, the Purchasing office team (director, quality controllers and merchandisers) has benefited from Chinese language training to better complete the factory checklists during visits, and to prepare the factories for future ICS audits.

### 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 1,361 Tier 1 suppliers at Group level. Some suppliers are common to several brands, but the disconnection between the information systems of each brand makes it impossible to identify duplications.

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 risk level

	DAMART	AFIBEL	XANDRES	3PAGEN	COOPERS OF STORTFORD	SEDAGYL
Risky countries (1)	69%	40%	11%	45%	95%	50%
Medium-risk countries (2)	21%	14%	53%	-	1%	2%
Low-risk countries (3)	9%	46%	23%	40%	3%	41%
Countries without ICS rating	1%	-	13%	15%	1%	7%

All the Group's brands maintain special relationships with their suppliers, who are long-standing partners. For **Xandres**, for example, 49% of suppliers have been working with them for more than 10 years. The banner's particularity also lies in its customized work: fabrics by the metre are bought from a limited number of suppliers, who use different techniques depending on the country of origin. 63% of these fabric suppliers have had a business relationship with **Xandres** for over 10 years.

Environmental ambitions in terms of eco-design and certification have led to new specific sourcing needs. The rate of new suppliers to the Fashion banners (Damart, Afibel and **Xandres**) is **h**.

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

Typology of Tier 1 suppliers for Fashion banners

	DAMART	AFIBEL	XANDRES
Intermediaries	50%	2%	7%
Importers	16%	37%	-
Trading	5%	5%	5%
Direct plants	23%	52%	88%
Brands	6%	5%	-

Due to the worsening human rights and general rule of law situation in Myanmar since the February 2021 coup, Damart has reassessed the situation and has not placed any orders with factories in Myanmar since March 2022. Working with intermediaries, the company could not guarantee that these factories observed the commitments described in the Responsible Purchasing Charter concerning the working conditions of the workers. The selected references concerned were therefore relocated to other factories.

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

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

	3PAGEN	COOPERS OF STORTFORD	SEDAGYL
Shanghai Purchasing Office	35%	47%	3%

## Damartex Way (excluding the Healthcare division)



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%.



### CHARTRE DES ACHATS RESPONSABLES



Cette charte a été rédigée et validée en langue française. Toutes les autres versions sont des traductions de cette version initiale. En cas de doute ou litige, la version française est la seule référente.

Rate of signature of the charter on the subcontracting activity (whose purchasing volumes in risky countries are higher than 20%)

DAMART	DMT	AFIBEL	XANDRES	3PAGEN	COOPERS OF STORTFORD
98%	43%	93%	65%	24%	18%

## Buyers' involvement:

The purchasing teams have been trained to tour factories «with CSR in mind». Before factory visits, buyers are free to ask the CSR team for a summary of the items to be checked. In addition, each time they go on a purchasing trip, in addition to the requirements of the ILO, they are asked to tick a checklist that lists the prerequisites demanded by the Group in terms of employees' health and safety. It is adapted according to the expertise and specificity of the buyers. If necessary, upon their return, they provide feedback to the CSR team, including their observations and photos of the factories. These results constitute a first assessment of the working conditions present in the supplier's plants and help identify non-compliance and areas for improvement.

A supplier self-assessment questionnaire has also been developed and is sent to referenced suppliers of the Home & Lifestyle division through the purchasing office.

Social and Environmental 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, Xandres et Coopers of Stortford since 2021, for performing social and environmental audits. The 67 member companies of 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.

Within the Group, each banner defines the budget it wishes to allocate to ICS audits. We want to support our suppliers in a continuous improvement process. Thus, each banner commits to paying for the initial audit. Depending on the result, follow-up audits should be planned within 3 or 6 months of the first one, this time at the supplier's expense.



ICS audit follows a methodology common to all companies and is always at the initiative of the member company and not the supplier to ensure an unbiased result. The themes covered are:

- For the social audits: management and traceability, child and young worker labour, forced labour, discrimination, disciplinary practices, freedom of association, working time, compensation and benefits and health & safety..
- For the environmental audit: environmental management, energy and transport, greenhouse gas emissions, water use, discharges, waste management, hazardous or potentially hazardous substances.

This year, Damart wanted to participate in the pilot of a new self-declaration service from ICS: the environmental checklist. Our own factory and eight factories committed to an environmentally friendly approach have volunteered to try it out. It incorporates a transformation process, such as dyeing or stone washing, for instance. The countries concerned are Bangladesh, China, Portugal and Tunisia.

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

- Type of audits accepted: ICS; BSCI (Business Social Compliance Initiative) and SA 8000 certificate
- 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:

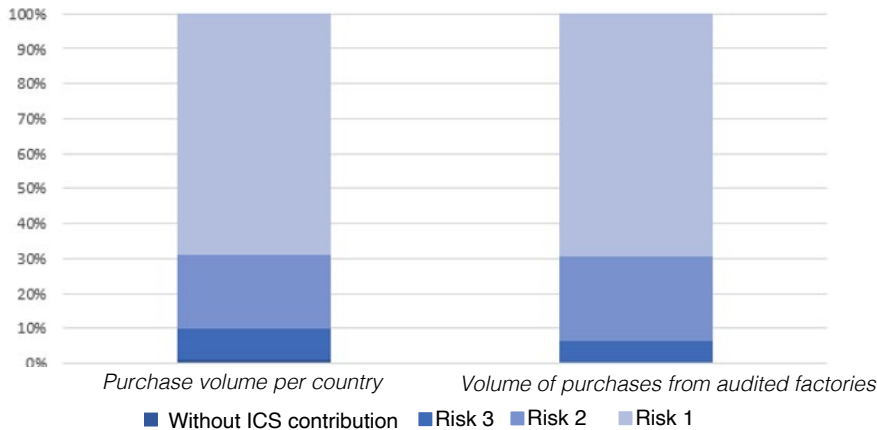
- Country risk
- Supplier's weight in purchasing volume
- Availability of a valid social audit

Goal  
**100%**  
of the products put on  
the market coming from  
socially audited factories  
by 2030.

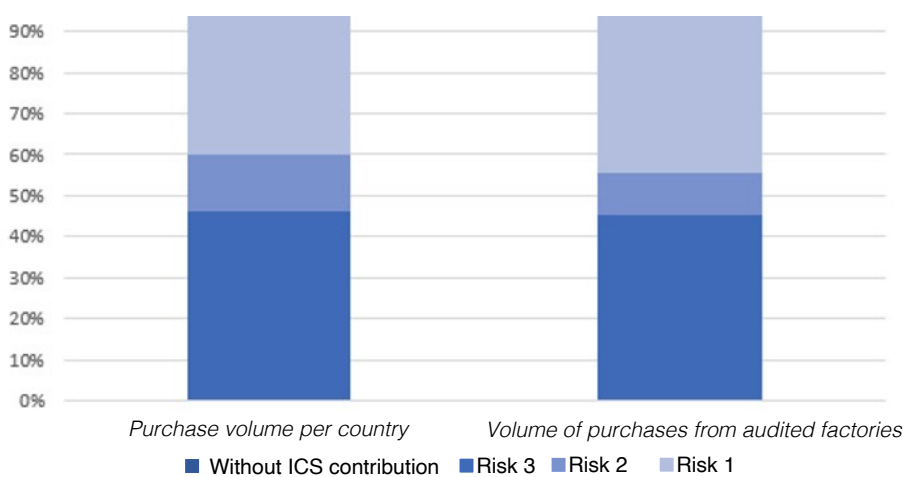
Focus on the Fashion division's banners

	DAMART	AFIBEL	XANDRES
Valid audits*	140 audits (including 133 ICS)	45 audits (including 41 ICS)	8 audits (including 4 ICS)
Audits carried out during the period	91 audits	28 audits	2 audits
Volume of purchases from audited plants	80.7% (77.6% in 2021)	46.4% (38.5% in 2021)	51.7% (21% in 2021)

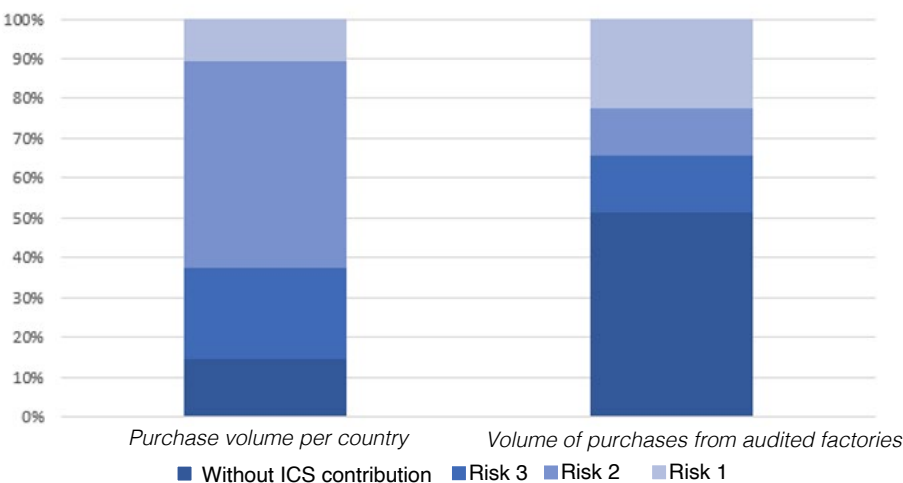
Distribution of purchase volumes by risk level - Damart



Distribution of purchase volumes by risk level - Afibel



Distribution of purchase volumes by risk level - Xandres



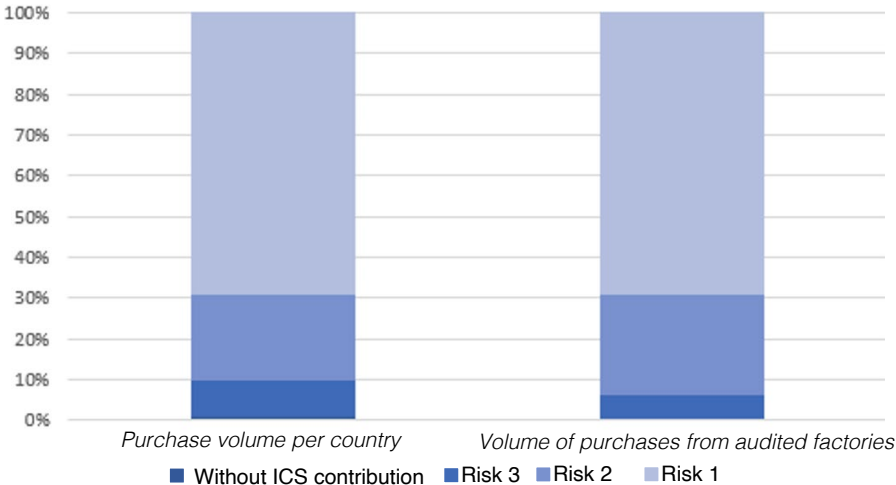
\* Semi- or un-announced, completed within the last 2 years (within the last year if BSCI C), with a corrective action plan in place if not A or B.



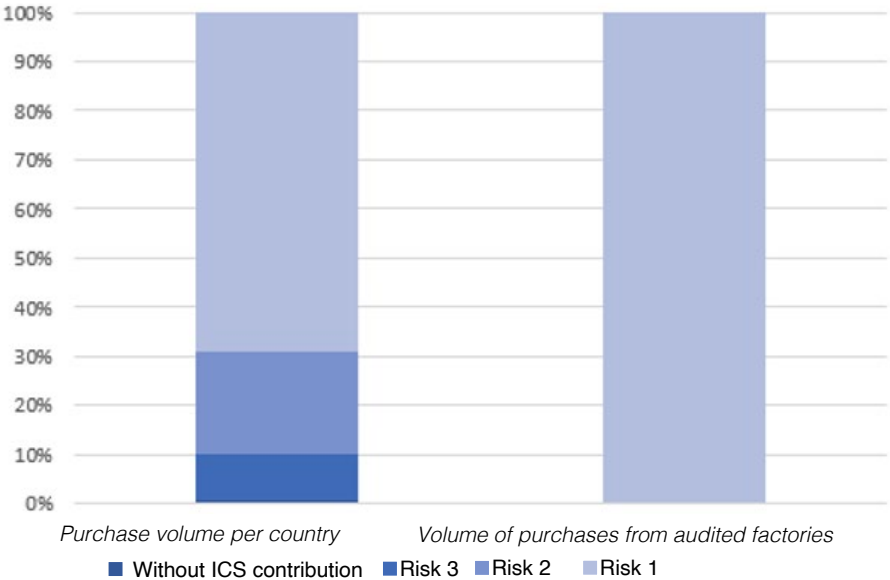
Focus on the Home & Lifestyle Division's banners (excluding Healthcare Division)

	3PAGEN	COOPERS OF STORTFORD
Valid audits** (less than two years)	21 audits (including 8 ICS)	106 audits (including 13 ICS)
Audits carried out during the period	19 audits	96 audits
Volume of purchases from audited plants	34.2% (32% in 2021)	31.8% (30% in 2021)

Distribution of purchase volumes by risk level - Coopers of Stortford



Distribution of purchase volumes by risk level - 3PAGEN



The total compliance rate of ICS plants over the period is 90%.

Focus on the production plant in Tunisia: DMT

The factory has a duty to set an example: a social audit and an environmental audit were carried out in the previous financial year under the ICS standard and are still valid. Like each of the Group's banners, the DMT production plant references its suppliers with a CSR in mind according to several criteria:

- Signing of the **Damartex** Way Charter;
- The existence of certifications and/or audit results;
- Filling in of a Company Profile, which contains basic information on pay practices (number of hours worked, minimum wage, benefits...) and components (in compliance with REACH legislation); and
- Systematic factory visits before production launches.

The factory's activities with its suppliers are divided into two geographical areas:

- In Tunisia: subcontracting operations (finishing and dyeing)
- Outside Tunisia: purchase of raw materials (yarn, knitting and haberdashery)

	Tunisia	Outside Tunisia
Breakdown of purchases and external services	24.8%	75.2%
Volume of purchases from audited plants	93.2%	6.2%

It should also be noted that:

- 100% of garment manufacturers in Tunisia are socially audited.
- One dyer carried out an ICS environmental audit over the period.
- Three suppliers of the factory volunteered for the pilot phase of the ICS environmental checklist.
- A campaign to launch a DMT supplier satisfaction questionnaire is being launched. The aim is to find out what improvements can be made to strengthen the partnership relationship.

Traceability of the Supply Chain

Since 2022, the DMT factory has been participating in the joint Sustainability Map traceability and transparency project of the ICS and the ITC (International Trade Center).

As part of the due diligence, this project was initially developed in the food industry. It helps build a map of the factories involved along the value chain, from the cultivation of raw materials to the retailer. The main objective of this partnership is to link the audit process to factory traceability, providing increased visibility on internal manufacturing processes.

In collaboration with the DMT teams, a working group was set up to understand the place of the factory, its specific subcontracting characteristics and to define the rank to be assigned to each production process.

To date, 32 suppliers linked to DMT have been mapped, allowing us to trace the supply chain back to the spinning mills.

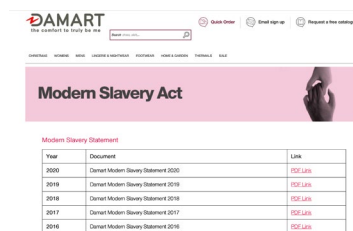
Discussions are underway to extend this project to the Group's other banners.

\*\*Semi- or un-announced, completed within the last 2 years (within the last year if BSCI C), with a corrective action plan in place if not A or B.

## Modern Slavery Act

The two English subsidiaries **Damartex UK** and **Coopers of Stortford** are members of Modern Slavery. The MSA Statement 2021 is published on the **Damartex UK** corporate website; the **Coopers of Stortford** MSA Statement 2021 has been drafted and will be published shortly, including all supplier awareness raising, training and internal communication activities.

At **Damartex UK** for example, all colleagues 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» section, 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).



Year	Document	Link
2020	Damartex Modern Slavery Statement 2020	<a href="#">DS2020</a>
2019	Damartex Modern Slavery Statement 2019	<a href="#">DS2019</a>
2018	Damartex Modern Slavery Statement 2018	<a href="#">DS2018</a>
2017	Damartex Modern Slavery Statement 2017	<a href="#">DS2017</a>
2016	Damartex Modern Slavery Statement 2016	<a href="#">DS2016</a>

## C. 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 **Damartex 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. In the event of one of these situations occurring, **Damartex** would face an image and reputation risk, combined with financial impacts.

Without waiting for the emergence of a potential threat 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 these practices are now formalized in the context of compliance with the Sapin 2 anti-corruption regulation.

#### • Corruption risk mapping

The annual update campaign of the corruption risk map for the Group including all subsidiaries, including Santéol and **Damartex** Shanghai was conducted from July to November 2021.

Based on interviews with the directors and managers of the subsidiaries on the relevance and updating of the situations perceived as being at risk, a risk qualification was performed.

The updated corruption risk map was presented to the Group Risk Committee on 1 April 2022.

#### • Whistle-blowing system

The Group has developed its own whistle-blower system called Transparency that is available at the following address: [transparency@Damartex.com](mailto: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 Sapin 2 regulation requires the establishment of a code of conduct defining and illustrating the different types of behaviour to be avoided. The latter should be seen as the materialization of the governing body's anti-corruption approach.

It has been implemented for the all the Group's French subsidiaries. This code is binding and is integrated into the internal rules.

#### • Sapin II training

In terms of training, an initial face-to-face training session was given by the Middle-next firm 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 from the head office.

For the other foreign subsidiaries and other French colleagues, the e-learning solution was preferred.

A compliance tool used by the IT department for cybersecurity training may be used to host this e-learning course in 2022-2023.





### 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 2018, the Group has implemented actions to comply with the GDPR in all Business Units.

From January 2021, decentralized data protection governance has been implemented: Data Protection Officers (DPOs) have been appointed in each business unit. Their role is to advise and provide independent oversight on the implementation of privacy regulations. Once a quarter, all the DPOs meet during the Privacy Meetings to work together on Group projects.

The Responsibilities of each DPO are the following:

- Informing and advising the data controller, who is the decision maker on the purposes and processing of the data (often a corporate officer or company director in each BU);
- Monitoring the BU's compliance with all data protection legislation, including audits;
- Acting as a contact point for requests from individuals concerning the processing of their personal data and the exercise of their rights; and
- Cooperating with data protection authorities and acting as a point of contact for questions on processing .

In accordance with the audit plan approved by the Group Audit Committee, internal audits on GDPR compliance are carried out in all Group entities. For the year 2021-2022, two audits were conducted. Others are planned for 2022-2023.

Specific reporting on the GDPR is presented annually to the Group Audit Committee and the Group Risk Committee to ensure that the BUs are progressing positively in terms of compliance.

**Damart France's** personal data policy is available on request in stores, on the internet (Dedicated page: [www.damart.fr/vosdonnees](http://www.damart.fr/vosdonnees)) and by telephone (Voice-activated server giving access to different levels of information when ordering: tel. 0892 70 50 40). Thus, customers can be informed about the processing of their personal data and the rights resulting from it. This system also exists for the Group's other banners.

## **D. 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).

71% 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 banners 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 catalogues and mailing shots at Group level every year creates a privileged contact with customers and a certain close relationship. **Damartex**'s mail order brands all have a call centre answering customers in a personalised manner. Daily, **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.

The CSR communication has been visible on Damart's commercial website. Behind the heading «Corporate Social Responsibility», customers can now discover the application of the Change Our World approach. Under the title «Want To Know What We're Doing About The Future?», consumers discover the different pillars of the CSR approach: human beings, the environment, innovation and well-being, and the more responsible use of products.

In stores, gourmet teas have been back since May 2022. This is an opportunity for the most loyal customers to meet over tea and share a moment of togetherness on dedicated themes: shopping, relaxation, exchanges...



At Afibel, the redesign of the e-commerce website now allows for an optimization of the user experience between the different tabs to facilitate the customer journey. To accentuate the efforts towards omnichannel capabilities between the catalogue and the web, each communication operation and each catalogue now contains a QR code that redirects customers to the website. In addition, the catalogue is now dematerialized and visible on the website. The teams have also drafted a CSR tab, which will soon be available online.

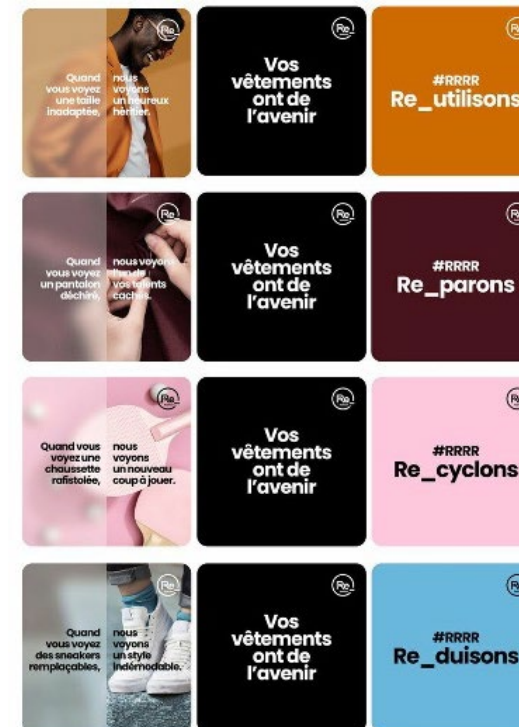
At **Xandres**, a new 'Sustainability' tab has been added to the website to increase transparency on accountability. It covers the six pillars of **Xandres**' 'For Our Future' programme:

1. Sustainable materials,
2. Quality clothing and timeless designs,
3. Reliable production partners,
4. Reducing the impact of the transport of products,
5. Repairability and care sensitivity of clothing, and
6. Innovation in the **Xandres** Lab.



tab.

**Coopers of Stortford**'s website has a responsive and optimized design. The contact tab provides an online chat service for website visitors, as well as an order-taking and customer service management service. The delivery options offered aim to meet customers' needs with a standard service, a next-day delivery option on certain routes and the option of collection from a pickup point at a convenient location chosen by the customer.



For the third year in a row, the Damart and Afibel brands took part in the #RRRR (Repair, Reuse, Recycle, Reduce) communication campaign conducted by Re-Fashion in France from 8 to 17 October.

By relaying the communication contents produced on the brands' social media (Facebook and Instagram), the aim is to make the consumer aware of the stakes of the end of life of textile products.

This year, a fourth «R for Reduce» has been added to the campaign to highlight the importance of reducing our environmental footprint. The campaign brought together more than 150 partners who made the new year a success on social media, on brand and retailer websites, on second-hand platforms, in stores, and even at local authority level. Thus, 55% of the population was reached (compared to 31% last year) thanks to the mobilization of these players. On social media, there

were no less than 37 million impressions - i.e. reactions - (of which 16,000 (against 20,000 in 2020-2021) were made by Damart and Afibel). For the next campaign, collection points will be installed in stores for Damart. This operation was already conducted in June 2022 in 55 stores, and nearly 3,000 items were collected for Le Relais in 3 weeks.

**Xandres**' first 'Sustainability Report' was published in 2021, and is available behind this web



### Messages to customers:

The Group's brands apply the principles of ethical marketing by developing trust through transparency on claims, quality and product origin. In a context of global change, it supports the transition of companies towards value creation models that respect the planet and people to improve their well-being.

Within the Group, **internal actions** were organized this year to emphasize ethical marketing.

#### At **Damart France** :

- In April 2022, the CSR team conducted an awareness-raising training for the communication and marketing teams on CSR communication. It focused on supporting change towards a more responsible, resilient and inclusive world and was based on various advertisements for which complaints were lodged with the ARPP (The French authority for professional regulation of advertising).
- A collaborative group on CSR is being set up. As a result of the multiplication of actions related to the Change Our World programme within the different departments, this body aims to bring together the CSR actions undertaken to ensure more transparent and comprehensive marketing messages.
- The mobilization of employees around the Climate Fresk workshops. In September 2022, 30 people from **Damart France** (stores and head office) and DSB will be trained to run these future workshops, which will provide keys to understanding climate change.

**Xandres** for its part offers colleagues the opportunity to attend webinars, events and information sessions on a voluntary basis. Training in CSR actions is mainly based on internal knowledge sharing, with differentiated needs and proposals for store teams, the creative department, or all colleagues.

For the Home & Lifestyle banners, great ambitions are to come following the recruitment of a Director of the division. The rapprochement of **3PAGEN** and Coopers should result in the launch of a joint offering.

The marketing teams also implemented external communication actions throughout the year:

- Afibel's marketing teams worked to raise awareness among customers. Two specific boutiques have been created on the website to inform the consumer about French and/or European manufacturing, and labels such as Oeko-Tex. In line with this, the web and print departments worked this year on unifying the logos on the various media to deliver a consistent communication message.
- On social media, Afibel, **Damart France** and **Damart UK** have proposed several sessions of Live Shopping. Afibel has teamed up with influencer Caroline Ours, an activist, and a committed inclusiveness standard-bearer, **Damart France** with Virginie Fauconnier and **Damart UK** with Julie, resident designer.

- **Xandres** has emphasized the quality and timelessness of its DNA by committing to Green Friday. This operation goes against the grain of Black Friday and aims to encourage customers to consume more responsibly and to extend the life of their products. The workshop in the Destelbergen store was made available for free repairs between 26 and 29 November 2021.

In the **Damart France** stores, the teams of customer sales advisors are recognized for their know-how and are trained to understand the problems encountered by customers. In their practices, brands focus on compliance, sincerity, comprehensibility and treating customers fairly.

- A CSR FAQ helps customer-facing teams to answer transparently on these topics.
- The welcome booklet for new customers highlights the banner's innovations and values around comfort and style.
- The marketing teams worked to raise customer awareness by communicating, for example, about the Christmas bags made of recyclable paper and the new cardboard gift cards, offered on wooden supports, and manufactured in Europe.

# Part 3. Committing to SENIORS

## Our ambitions :

1. Propose an inclusive, state of the art offer for the 55
2. Generate customer satisfaction wherever the Group operates
3. Beyond business, acting for the over-55s through the On Seniors' Side Foundation

**By 2030 :** Make the Group and its Foundation a key player in the inclusion of seniors.

Committed to people over 55 (the «55+»), **Damartex**'s mission is to offer them the best in progress, fashion and products and services that make everyday life easier.

From the outset, an emotional, complicit, authentic and lasting bond has linked all the Group's brands to its customers. Seniors are the Group's raison d'être. It is for them that all employees get up every morning. They inspire them and guide their daily actions.

It is in this spirit that **Damartex** has developed its non-statutory raison d'être, «On Seniors' Side», and has defined its vocation: to create and distribute specific products adapted to all seniors, from the youngest active to the oldest with a loss of independence.

## A. INCLUSION OF SENIORS

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**, the homecare marketplace, offers comfort solutions for all senior citizens:

- **Sédagyl** focuses on the support to older seniors. The company specializes in products and services that promote autonomy and ageing in place, and offers consumables (cosmetics, incontinence, etc.) as well as one-off investment products (chairs, walkers, etc.) and services (equipment rentals). As its ambition to become the leader in ageing in place product mail order, the **Sédagyl** brand has created a marketplace in order to take a solid position in the ageing-in-place market for 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.
- **Xandres** is much more upscale and selective and is aimed at younger, more demanding and more affluent customers.
- **Afibel** offers inclusive fashion for all body types. This specificity is inscribed in the very history of the brand, which was born in 1954 and has always paid particular attention to the well being of people, whatever their figure. Thus, starting this year, the communication visuals include plus-size models. Afibel continues to move towards an inclusive offer.



## B. INNOVATION TO SERVE SENIORS

**Le Groupe Damartex** has developed around the Damart brand, born from a textile innovation, the iconic “Thermolactyl”.

In fact, as an innovation champion, Damart has developed innovations and labels that guarantee benefits to those who wear its clothes or underwear. Today, this represents **839 references** put on the market, i.e. **27%** of sales.

The Research and Development Department is composed of 4 engineers, experts in their field, whose mission is to enable the **Damartex Group** to strengthen its leadership position in the areas of “customer benefit” with:

- Thermal comfort clothing (Thermolactyl® and Climatyl®),
- Morphological comfort clothing (Perfect Body®, Perfect Fit®),
- The comfort of shoes and walking (Amortyl®),
- Body and skin care textiles (Thermolactyl Sensitive®).

Research activities aim at:

- Conducting Research and Development projects in close collaboration with the academic world (universities, laboratories) and industrial leaders in their fields, in order to integrate into the product offering ever more innovative, high-performance technical solutions with high added value and differentiation for our customers.
- Developing increasingly effective testing tools and protocols that are as close as possible to the conditions in which the products are used, to provide customers with greater guarantees and select the most effective products,
- Support and train the product and sales teams to enhance and promote product innovations through the various distribution channels.

Over the past financial year, we have seen the acceleration and expansion of Damart’s offer with differentiating and exclusive labels (Thermolactyl, Climatyl, Perfect Fit and Amortyl) in all sectors and more particularly in the underwear, ready-to-wear and footwear departments, with a real focus on the more “virtuous” dimension of these new developments, in particular:

- **Thermal comfort challenges** (in hot and cold conditions):

- **Climatyl® (the counterpart of Thermolactyl® when it’s hot):**

To accompany the deployment of this label, a real growth lever that has been very well received by customers, numerous components on different bases (synthetic and natural) have been developed and characterized, to best meet the expectations and requirements of our customers.

- **Heat regulation (in hot and cold conditions):**

Research has continued into ‘regulating’ fibres, which provide warmth in cold weather and coolness in hot weather, to ensure that customers are always comfortable throughout the day and across the seasons.

In this respect, a dedicated consortium was initiated last year, bringing together various renowned academic partners such as CNRS, IEMN, ENSAIT, HEI Junia, ... This consortium is now effective and has obtained a first funding from the ANR (French National Research Agency), for a total amount of €650,000. The objective is to move from the theoretical calculation phase to physical demonstrators allowing effective measurements, which is a necessary prerequisite for the transfer and industrial development phase.

In parallel, and to offer products with the capacity to regulate the heat perceived as quickly as possible to provide optimal thermal comfort, several textiles using PCM were sourced and tested.

PCMs (Phase Changing Materials) have the ability to store heat and release it, thus “dampening” temperature peaks. From a customer point of view, these textiles provide warmth when the temperature drops and coolness when the temperature rises. The aim is to offer products that deliver on this promise from 2023 onwards, to provide a concrete and tangible response to the temperature variations common in mid-season. Between Thermolactyl® and Climatyl®, this new promise, whose name is being studied, makes Damart the leader in thermal comfort all year round.



## - Environmental issues:

All new developments and innovations are being made in a more environmentally friendly way.

### • Recycled fibres Thermolactyl Sensitive®

The use of recycled fibres in Thermolactyl® underwear has been stepped up this year. After successfully substituting all polyester with recycled polyester (around 70% of annual volumes), the redesign of a fast-growing programme, Thermolactyl Sensitive®, is on target to reach 100%.

In addition to its promise of warmth, the Thermolactyl Sensitive® programme has the ability to preserve the skin's natural moisture content by up to 23%. The redesign of degree 2 has just been completed, incorporating recycled acrylic fibres without any increase in material cost or degradation of benefits. The development of the other degrees has been started.



### • Recylactyl®

In the continuity of the research on recycling and upcycling in a “closed loop” of Thermolactyl cutting scraps produced at DMT, components and a process have been developed.

Thermolactyl® duvets, manufactured in France, with a filling made from these scraps were marketed this year.

These first products therefore represent a major step forward in the implementation of the “closed loop” recycling of our mixes. Several product applications are underway to further deploy this more virtuous value creation.



### • Damart Sport®

100% of the new products are developed using recycled fibres or fibres with a lower environmental impact.

An e-learning module “Knowing the labels” is also available. It allows colleagues to understand the promise and innovations of the Damart labels: Thermolactyl®, Climatyl®, Amortyl® and Perfect Fit®.



## C. QUALITY OF PRODUCTS

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. This quality covers all components of the articles:

- Soft, comfortable, resistant, easy-care, and durable materials.
- The cuts are designed to respect and enhance the body of our female senior customers, thanks to a team of pattern makers who systematically consider the evolution of senior body shapes, comfort when wearing, and easy on-off, in their objective of fitting well.
- Quality finishes: an attention to detail in seams, linings, and accessories...

Our Quality policy is based on the principle of continuous improvement, fuelled by a virtuous circle between “Expected Quality”, “Desired Quality”, “Delivered Quality” and “Perceived Quality” according to the essential principle of the “4 Quality dials”, which is fundamental whatever the sector concerned: Trade; Industry; Services.

- **Desired quality:** The quality promised by Damart to its customers, as written in its Brand Platform (see “Brand Book”) is expressed in our Technical Files (DT) based on our associated Reference Systems, all digitized in the PLM.

Our reference systems (material specifications, measurement scales, assembly specifications) are evolving according to the careful study of the market, technological developments, regulatory changes, our competitors, and our customers' perception of our products (“perceived quality”). They are updated once a season or once a year in the “Roadbook”, available on our Suppliers' Portal.

All products and their components (Materials; Supplies; Accessories) are subject to precise technical requirements (TRS = Technical Requirement Sheet), based primarily on international standardized tests on:

- Strict compliance with current regulations (Reach; Pop; Safety, etc.)
- Performance in use and maintenance (TRS)
- Sustainability (see Underwear Lifetime Guarantee Project)
- The veracity of the claims (GOTS; Recycled; Antibacterial; Combed cotton...)

Thus, to start production, a supplier must obtain a: OK Production = OK Style + OK Fabric + OK Fit

OK Style: Approval of style, colour, materials and accessories

OK Fabric Approval of product components according to TRS

OK Fit: Approval of fit and manufacturing (from counter samples to production samples)



- **Delivered quality:** Orders are subject to online and/or pre-shipment and/or reception checks:
  - Technical compliance (Compliance with our product specifications)
  - Non-defectiveness (Compliance with our LQAs): 0% Critical / 2.5% Major / 4% Minor)
  - Regulatory control (REACH/POP Directive),
  - Logistics (Packing & Packaging).

All requirements are referenced via the supplier portal in the “Roadbook” tab and in the PLM. The “One Damart Quality Control” project aims to align the quality control methods and tools of the 3 Damart warehouses (CLEM; Steeton; DMT) and the Supplier Park by relying on:

- Common statistical control methods (ISO 2859)
- Common Default library
- Real-time digital monitoring and exchange of in-line and off-line inspections, via the “QUEENS” Project / Pivot 88 solution with a risk management algorithm.
- **Perceived quality** :This is measured by the meticulous analysis of feedback, the monitoring of seasonal action plans, customer testimonials and ratings on our web-sites (“Customer Review”), thematic customer round tables (“Customer Lounge”) or exchanges with store networks on collection quality feedback and action plans to be carried out via pattern makers’ visits, the Net Promoter Score focus on quality or competitive benchmarks
- **Expected quality** : Depending on the level of satisfaction from tools and channels of perceived quality, and our 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 on a regular basis. Example: Recent integration of wash cycles in our tests to validate durability (Longevity).



**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.

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

## 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.

*Return rate by brand (except Xandres and Sedagyl)*

DAMART			3PAGEN	COOPERS OF STORTFORD	AFIBEL
FR	BE	UK			
6,7% (6,8% en 2020’21)	4,03% (4,7% en 2020’21)	19,16% (17,9% en 2020’21)	6,96% (7,5% en 2020-21)	6,53% (3,4% en 2020-21)	8,39%

# D. CUSTOMER SATISFACTION

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..

## Customer knowledge

- **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:

- 31 articles (2020-2021 : 39) were published this year
- 8849 visitors per month on average (2020-2021 : 8260)
- 2,063 Twitter followers as of 30 June 2022 (2020-2021 : 1992) > [https://twitter.com/obs\\_seniors](https://twitter.com/obs_seniors)

### • The Customer Lounge

To always serve its customers better, **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.

With the end of the health restrictions, **Damartex** plans to receive customers during July and August 2022. Two customer workshops will be held during these two months in the Customer Lounge, to gain insight from customers aged 55 to 75 on shoe buying.



### • Smart Care project survey

In an effort to reduce the group's carbon footprint, Damart conducted a survey of customers aged 55 and over in 3 countries: France, UK and Belgium. The objective was to understand whether our customers are receptive to environmental protection, and more specifically when washing clothes. The results confirm this, with 87% of respondents knowing that washing their clothes has an environmental impact.

Our customers already have good laundry care practises; 67% of them use the amount of detergent recommended by manufacturers.

Another study will be conducted to measure the evolution of these practices from one year to the next.

## 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 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 2021-2022 financial year is: **34.4, up 19.9%** over the previous year (28.7).

**Xandres, the group's leading brand in terms of NPS, scored 65.5.**

	Damart	Afibel	Xandres	3PAGEN	Coopers of Stortford	Sédagyl
	37,6 (34,2)	31,9 (21,1)	65,5 (65,1)	9,9 (-8)	37,5 (36,9)	39 (33,2)

Developments are most often due to the success of mail order, which leads to delays in delivery or backorders.

**The Damartex Group objective is to achieve a NPS of 50 for the 2024-2025 financial year.**

# E. ON SENIORS' SIDE FOUNDATION

The creation of the Foundation in 2019 was motivated by the **Damartex Group's** desire to develop partnerships with charitable organizations in order to, beyond a simple business objective, be at the side of the elderly.

This project is led by a group of about two dozen colleagues from all the subsidiaries who have great respect, knowledge, and passion for seniors.

Each **Damartex** subsidiary is a founder of the Foundation and contributes financially to its operation and local actions. The Foundation is managed by a Board of Directors and steered by a committee made up of colleagues from each subsidiary.

Because the Foundation is "On Seniors' Side", it is committed to building a caring, supportive, and inclusive society in which every person aged 55 and over is recognized, autonomous and can live and develop with dignity.

**"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 senior citizens and, to fulfil its mission, supports projects in the countries where the group is established: France, Tunisia, Belgium, UK, and Germany.

To fulfil this mission, the Foundation finances projects delivered by associations around the three identified axes:



# 1

Encouraging seniors to go out and improve their **WELL-BEING**

Helping seniors engage in Society and encourage **inter-generational bonding**

# 2



# 3

Promoting healthy aging in place and **supporting carers.**



Since its creation, the Foundation has helped finance and support 89 projects, including 29 this year in 5 countries.

The amount allocated to associations this year is **€204,335.91** (2020-2021: **€152,343**). All the projects financed by the foundation are sponsored by a Group colleague, to offer them the opportunity to engage for the benefit of Seniors and to maintain the care, respect, empathy, and passion that form the basis of our brands' values. 116 colleagues (2020-2021: 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.

**The brand projects:**

This year, 4 of the Group's brands wished to become more involved in a charitable cause in conjunction with the Foundation and entered into strong partnerships with associations. The objectives of these partnerships are:

- To collectively continue the development of the Foundation through a stronger involvement of the brands; and
- To mobilize teams around a meaningful cause chosen by each brand.

**4 brands** have committed to On Seniors' Side since September 2021:

- **Damart** with the charity **Duo for a Job**.

An inter-generational and intercultural association, DUO for a Job helps young people from diverse backgrounds to be accompanied by mentors aged 55 or over. This mentoring allows young people to benefit from support to return to employment and older people to capitalize on their experience. Damart supported them in the opening of a new branch in Lille and in the search for mentis, especially among Damart colleagues.



- **Coopers of Stortford** with the charity **Kissing it Better**.

Kissing it Better is a charity and healthcare training organization that organizes inter-generational activities to break the isolation of older people. The aim with Coopers is to create a real community around the senior citizens of Bishop's Stortford with Coopers teams and schools in the town.

- **Afibel** with the charity **La Maison des Femmes**.

an association that helps women who are victims of physical and psychological violence. The aim of this partnership, beyond funding, is to organize events to raise awareness among colleagues and customers about violence against women. On the occasion of the International Women's Rights Day, Afibel and Damart colleagues had the chance to listen to the testimony of Dr. Ghada Hatem-Gantzer, Founder of La Maison des Femmes.

- **3PAGEN** with the charity **Bürgerstiftung Stolberg**.

An association that fights against the loneliness of the elderly which has been exacerbated by the COVID crisis. Following the floods in Germany in July 2021, structures and meeting points no longer exist, this partnership aims to rebuild social bonding.

**Solidarity actions**

In the continuity of the actions carried out by the Foundation and in line with the group's core purpose: «On Seniors' Side», the group's subsidiaries are mobilizing through various solidarity operations.



• **Pink October Campaign :**

During the month of October, Damart mobilized its customers and colleagues, notably through an appeal for donations. These donations raised €94,000. At Afibel, sewing workshops to make heart-shaped cushions were organized. These cushions were donated to women suffering from breast cancer.

• **Christmas shoeboxes:**

**Damart** has joined forces with the Roubaix-based association Amitié Partage to offer a box full of little surprises prepared by colleagues to the association's beneficiaries. Thanks to this action, 146 Christmas care packages were distributed.



• **War in Ukraine :**

**Damart** and its employees have mobilized to help the Ukrainian population that has fallen victim to the conflict. To this end, several initiatives in France, Belgium and England were organized to collect products and equipment, which were transported by one of the brand's supplier partners.

# Methodological Note

The social, environmental and societal information presented in this report has been prepared for the financial year ended 30 June 2022 in accordance with Articles L.225-102-1 and R.225-105-1 of the French Code de commerce.

- The DPEF 2021/2022 perimeter corresponds to the Group perimeter as defined in the financial statements (as in 2019-2020). However, the Healthcare activity, strategic at the reporting date (but not significant 2% of turnover) has been excluded from the scope this year.
- 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.

- **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 2020-2021 financial year

Rate of eco-responsible references of the collection: total number of eco-responsible references in the 2020-2021 collection / total number of references in the 2020-2021 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 2020-2021/ 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.

Rate of unsold products: quantity of unsold products from the 2020-2021 collection / total quantity of products offered from the 2020-2021 collection. Hazardous waste generation: total consolidated volume of waste with toxic or hazardous elements generated by the Group's subsidiaries for their activity.

Non-hazardous waste generation: total consolidated volume of non-hazardous (or common) waste generated by the Group's subsidiaries for their activity.

Share of waste reused, re-employed or recovered (internally or externally) : total consolidated volume of waste reused, re-employed or recovered (internally or externally) / total volume of waste (hazardous or non-hazardous) generated by the Group's activity.

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

Share of employees on permanent contracts: number of employees on permanent contracts in N / total number of employees in N.

Turnover rate: [(Number of permanent departures in N + Number of permanent arrivals in N)/2]/Staffing at end of year N-1.

# Methodological Note

Number of recruitment on permanent contracts: number of permanent hires in the Group's subsidiaries during the 2020-2021 financial year.

Access rate to training: number of employees having attended at least one training course during the period on the workforce. As mentioned above, this is for the 2020-2021 financial year.

Number of employees who have attended at least one training course: consolidated number of employees at Group level having attended at least one training course during the financial year 2020-2021.

Training budget: consolidated budget at Group level allocated to employee training in the 2020-2021 financial year.

Average number of training hours per employee: total number of hours of training provided during the 2020-2021 financial year / average number of Group employees.

Employee satisfaction rate (Group survey) : result of the annual Group-wide survey.

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

Rate of absenteeism due to illness and accidents at work Group: (hours of absence due to work-related illness and accidents) / theoretical hours worked.

Number of accidents resulting in work stoppage: consolidated number of accidents at work that occurred at Group level and resulted in work stoppage of at least one day. Incidence of accidents at work :

Frequency rate: = (number of accidents with lost time  $\geq$  1 day x 1,000,000) / hours worked

Severity rate: = (number of days of absence from work  $\geq$  1 day x 1,000) / hours worked

Share of seniors in the Group workforce: number of employees aged 55 and over / total number of employees at Group level.

Average age of the Group workforce: sum of the ages of the Group's employees at 30.06.21 / number of Group employees.

Percentage of women in the workforce: number of women in the workforce as of 30.06.21 / total number of Group employees.

Share of women executives (or managers) : number of female executives or managers in the workforce / total number of executive or managerial employees.

Share of disabled employees (in French subsidiaries): number of disabled employees (in French subsidiaries) / total number of employees in French subsidiaries.

Share of employees with disabilities at Group level: consolidated number of disabled employees at Group level / total number of Group employees.

## Sustainable Procurement

Share of purchase volumes by risk level: volume of purchases of products from countries (risky, medium-risky or low-risk) / total volume of purchases.

Rate of new suppliers: number of new suppliers referenced during the year / total number of active suppliers.

Share of suppliers by type: number of suppliers by type / total number of suppliers.



# Methodological Note

Share of purchasing volume operating through the Purchasing Office: volume of purchases made through the Purchasing Office / total volume of purchases

Rate of suppliers having signed the charter: total number of suppliers having signed the **Damartex** Way responsible purchasing charter/total number of suppliers

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

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

Valid OIOS: 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 for seniors**

## Product quality

Customer return rate: number of items returned in 2020-2021 / number of items sold in 2020-2021.

## Customers satisfaction

NPS (Net Promoter Score): % de promoteurs des marques - % de détracteurs des marques

Les notions de promoteurs et détracteurs sont évaluées à partir de la question: % of brand promoters - % of brand detractors

The notions of promoters and detractors are evaluated from the question: «on a scale of 0 to 10, how likely are you to recommend the brand to your friends and family?» asked to customers after purchase. Promoters: customers who gave a score of 9 or 10. Detractors: customers who gave a score below 6

## On Seniors'Side Foundation

Number of projects funded by the Foundation: total number of projects funded by the Foundation in 2020-2021.

Total amount allocated to associations: sum of the amounts paid to the associations by the Foundation in the framework of a project financed in the financial year 2020-2021.

**DAMARTEX SA**

**Avis de l'organisme de vérification**  
Exercice clos le 30 juin 2022

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 (« tierce partie »), accrédité par le COFRAC Inspection sous le numéro n° 3-1081, portée disponible sur [www.cofrac.fr](http://www.cofrac.fr), nous avons mené des travaux visant à formuler un avis motivé exprimant une conclusion d'assurance modérée sur les informations historiques (constatées ou extrapolées) de la déclaration de performance extra-financière, préparées selon les procédures de l'entité (ci-après le « Référentiel »), pour l'exercice clos le 30/06/2022 (ci-après respectivement les « Informations » et la « Déclaration »), présentées dans le rapport de gestion du groupe en application des dispositions des articles L. 225-102-1, R. 225-105 et R. 225-105-1 du code de commerce..

## Conclusion

Sur la base des procédures que nous avons mises en œuvre, telles que décrites dans la partie « Nature et étendue des travaux », et des éléments que nous avons collectés, nous n'avons pas relevé d'anomalie significative de nature à remettre en cause le fait que la déclaration de performance extra-financière du groupe est conforme aux dispositions réglementaires applicables et que les Informations, prises dans leur ensemble, sont présentées, de manière sincère, conformément au Référentiel.

## Préparation de la déclaration de performance extra-financière

L'absence de cadre de référence généralement accepté et communément utilisé ou de pratiques établies sur lesquels s'appuyer pour évaluer et mesurer les Informations permet d'utiliser des techniques de mesure différentes, mais acceptables, pouvant affecter la comparabilité entre les entités et dans le temps.

Par conséquent, les Informations doivent être lues et comprises en se référant au Référentiel dont les éléments significatifs sont présentés dans la Déclaration.

## Responsabilité de l'entité

Il appartient au Directoire :

- de sélectionner ou d'établir des critères appropriés pour la préparation des Informations ;
- 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 et par ailleurs les informations prévues par l'article 8 du règlement (UE) 2020/852 (taxonomie verte) ;
- ainsi que de mettre en place le contrôle interne qu'il estime nécessaire à l'établissement des Informations ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

La Déclaration a été établie en appliquant le Référentiel de l'entité tel que mentionné ci-avant.

## 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 historiques (constatées ou extrapolées) 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.

Comme il nous appartient de formuler une conclusion indépendante sur les Informations telles que préparées par la direction, nous ne sommes pas autorisés à être impliqués dans la préparation desdites Informations, car cela pourrait compromettre notre indépendance.

Il ne nous appartient pas de nous prononcer sur :

- le respect par l'entité des autres dispositions légales et réglementaires applicables (notamment en matière d'informations prévues par l'article 8 du règlement (UE) 2020/852 (taxonomie verte), de plan de vigilance et de lutte contre la corruption et l'évasion fiscale) ;
- la sincérité des informations prévues par l'article 8 du règlement (UE) 2020/852 (taxonomie verte) ;
- la conformité des produits et services aux réglementations applicables.

## Dispositions réglementaires et doctrine professionnelle applicable

Nos travaux décrits ci-après ont été effectués conformément aux dispositions des articles A. 225-1 et suivants du code de commerce, à la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette intervention tenant lieu de programme de vérification et à la norme internationale ISAE 3000 (révisée).

## Indépendance et contrôle qualité

Notre indépendance est définie par les dispositions prévues à l'article L. 822-11 du code de commerce et le code de déontologie de la profession de commissaire aux comptes. 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 textes légaux et réglementaires applicables, des règles déontologiques et de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette intervention.

## Moyens et ressources

Nos travaux ont mobilisé les compétences de 3 personnes et se sont déroulés entre le 7 septembre 2022 et le 21 octobre 2022 sur une durée totale d'intervention de 10 jours.

Nous avons fait appel, pour nous assister dans la réalisation de nos travaux, à nos spécialistes en matière de développement durable et de responsabilité sociétale. Nous avons mené 16 entretiens avec les personnes responsables de la préparation de la Déclaration, représentant notamment les directions générale, administration et finances, gestion des risques, conformité, ressources humaines, santé et sécurité, environnement et achats.

## Nature et étendue des travaux

Nous avons planifié et effectué nos travaux en prenant en compte le risque d'anomalies significatives sur les Informations.

Nous estimons que les procédures que nous avons menées en exerçant notre jugement professionnel nous permettent de formuler une conclusion d'assurance modérée :

- nous avons pris connaissance de l'activité de l'ensemble des entités incluses dans le périmètre de consolidation et de l'exposé des principaux risques;
- 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 ;
- nous avons vérifié que la Déclaration présente les informations prévues au II de l'article R. 225-105 lorsqu'elles sont pertinentes au regard des principaux risques et comprend, le cas échéant, une explication des raisons justifiant l'absence des informations requises par le 2eme alinéa du III de l'article L. 225-102-1 ;



- nous avons vérifié que la Déclaration présente le modèle d'affaires et une description des 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 afférents aux principaux risques ;
- nous avons consulté les sources documentaires et mené des entretiens pour :
  - apprécier le processus de sélection et de validation des principaux risques ainsi que la cohérence des résultats, incluant les indicateurs clés de performance retenus, au regard des principaux risques et politiques présentés, et,
  - corroborer les informations qualitatives (actions et résultats) que nous avons considérées les plus importantes présentées en Annexe 1. Nos travaux ont été menés au niveau de l'entité consolidante et dans une sélection d'entités ;
- nous avons pris connaissance des procédures de contrôle interne et de gestion des risques mises en place par l'entité et avons apprécié le processus de collecte visant à l'exhaustivité et à la sincérité des Informations ;
- pour les indicateurs clés de performance et les autres résultats quantitatifs que nous avons considérés les plus importants présentés en Annexe 1,
- nous avons mis en œuvre :
  - 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 ou d'autres moyens de sélection, 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 contributrices et couvrent entre 20% et 100% des données consolidées sélectionnées pour ces tests ;
- nous avons apprécié la cohérence d'ensemble de la Déclaration par rapport à notre connaissance de l'ensemble des entités incluses dans le périmètre de consolidation.

Les procédures mises en œuvre dans le cadre d'une mission d'assurance modérée sont moins étendues que celles requises pour une mission d'assurance raisonnable effectuée selon la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes ; une assurance de niveau supérieur aurait nécessité des travaux de vérification plus étendus.

Lyon, le 24/10/2022,



FINEXFI  
Isabelle Lhoste  
Associée

## ANNEXE 1

### Indicateurs sociaux :

Périmètre vérifié : Damart France (Magasin et Vente à distance), Damartex, DSB, Silveredge :

- Les chiffres clés et métiers (Nombre de collaborateurs),
- Le modèle de création de valeur (Nombre de salariés, Part des salariés en CDI, Taux de féminisation),
- Personnes en situation de handicap (Part des salariés en situation de handicap au niveau Groupe)
- Salariés heureux et talentueux (Effectif au 30/06/2022, Part de CDI),
- Politique de recrutement (Taux de turnover, Nombre de recrutements en CDI au cours de l'exercice 2021-2022),
- Diversité et égalité des chances (Part des seniors dans l'effectif, Age moyen de l'effectif, Taux de féminisation, Part des femmes cadres),

Périmètre vérifié : Damart France (Magasin et Vente à distance) :

- Politique de formation (Nombre d'heures de formation moyen par salarié),
- Santé et sécurité (Taux d'absentéisme pour maladie et accidents du travail, Nombre d'accidents ayant entraîné un arrêt de travail (supérieur ou égal à un jour), Taux de fréquence des accidents de travail, Taux de gravité des accidents de travail),

### Indicateurs environnementaux :

Périmètre vérifié : DSB, Coopers of Stortford :

- Réduire l'empreinte carbone de nos activités (Total des émissions (en tonnes de CO2 eq), Scope 3 – Dont Achat de produits ou de services),

Périmètre vérifié : DSB, Damart France consolidé, Damart UK, Afibel :

- Réduire l'empreinte carbone de nos activités (Consommation d'énergie pour les bâtiments),
- Le modèle de création de valeur (Consommations énergétiques),

Périmètre vérifié : 3PAGEN, DMT :

- Limiter et supprimer les déchets d'emballages (Production de déchets dangereux, Production de déchets non dangereux),

Périmètre vérifié : 3PAGEN :

- Limiter et supprimer les déchets d'emballages (Tonnes de déchets plastiques à usage unique, Tonnes des polybags de protection des produits en provenance des fournisseurs, Sachets d'expédition pour l'envoi aux clients e-commerce),
- Le modèle de création de valeur (Tonnes de plastiques utilisés),

### Indicateurs sociétaux :

Périmètre vérifié : Damart, Afibel, Xandres, 3PAGEN, Coopers of Stortford, Sedagyl :

- Achats responsables (Part des volumes d'achats par niveau de risque),
- Satisfaction des clients (NPS)

Périmètre vérifié : Damart, Afibel, Xandres :

- Achats responsables (Typologie des fournisseurs de rang 1 pour les enseignes Fashion),

Périmètre vérifié : Damart, Afibel, Xandres, 3PAGEN, Coopers of Stortford :

- Achat responsables (Volume d'achats issu d'usines auditées (Pôle Fashion et Home&Lifestyle)).