

# EXTRA-FINANCIAL PERFORMANCE STATEMENT

2024



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DAMART

XANDRES  
BELGIUM

COOPERS  
OF STORTFORD

3PAGEN  
pffiffig | praktisch | preiswert!

VITRINE  
magique

almadia  
accompagner le bien-être à domicile

santéol

MSANTÉ

## Editorial

We are going through a period of great instability where geopolitical, environmental, social and economic crises follow one another. It is in this context of uncertainty and because we are aware of our role in the transition to a more sustainable and resilient economy that we are publishing this extra-financial performance report.

In the face of these upheavals, being an independent, family-owned business is a strength. And it is with our heritage, values and commitment to seniors that we have once again demonstrated resilience and continued to integrate sustainability principles into all our activities.

To cope with this necessary ecological and social transition, we have placed our CSR policy, Change Our World, at the heart of the company's "Dare Act, Impact 2026" strategic plan. This policy is both centralized at the Group level in the definition of material issues, strategy and indicators and decentralized with the implementation of action plans and their management by the subsidiaries.

Our ambition is not to change the world but to make our contribution around our 4 commitments:

- Reducing our environmental impact
- Responsible Business Conduct
- Promote the company's human capital
- Be a Corporate Citizen

These commitments to the planet, our employees, our customers, and our suppliers are reflected in progress in terms of reducing the carbon footprint of our activities, increasing a more environmentally friendly offer, respecting human rights in the value chain, and including seniors. We have achieved these results for and with our stakeholders, convinced that it is collectively that we can achieve better results. It is therefore with transparency, sincerity and humility that we are proud to demonstrate them through this declaration of extra-financial performance.

This report is the result of a collective effort and reflects our ambition to transform ourselves in depth and commit our activities to sustainability. We know that the road is not easy, that there is still a long way to go, but we are resolutely moving towards a more responsible model that creates value for our stakeholders.

Joséphine Biernacki

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# The Damartex Group

## Key figures and business lines

### DAMARTEX IN FIGURES



**529,2 M€**

turnover



**9,6 M€**

EBITDA



**2535**

employees



**-1,5 M€**

ROC



**104,7 M€**

net financial debt



**9 countries**  
of distribution



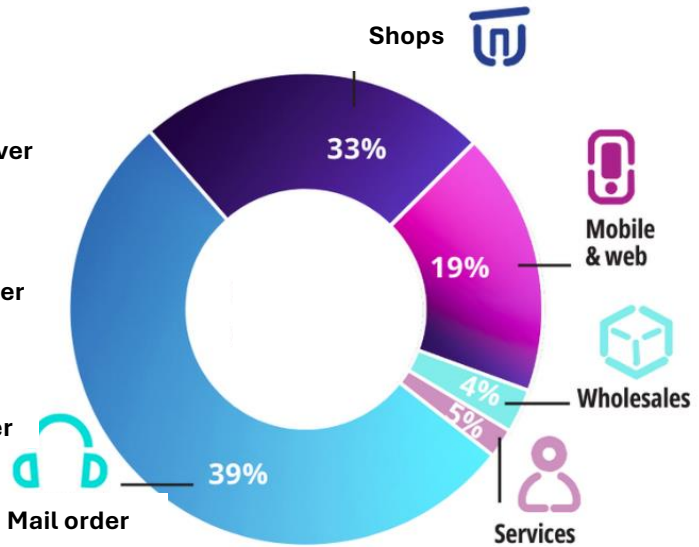
**75%**  
of turnover



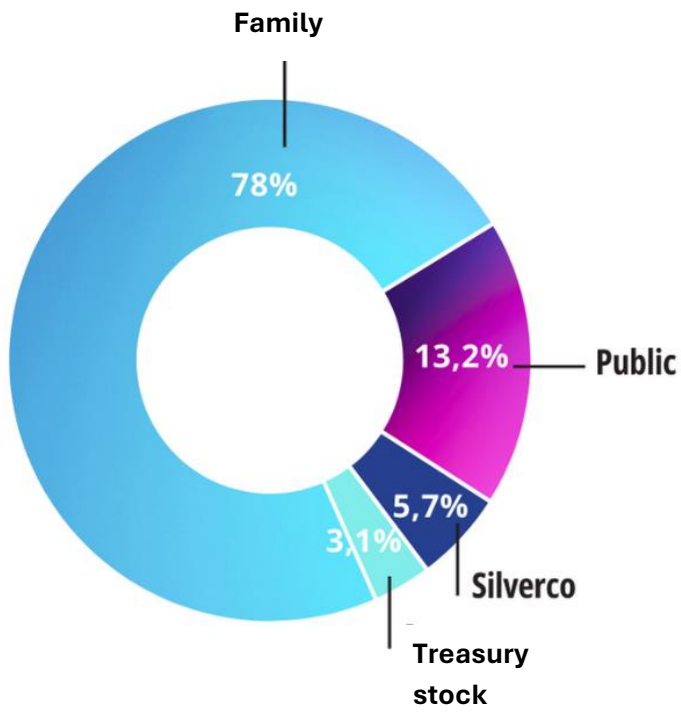
**19%**  
of turnover



**6%**  
of turnover



### A majority family shareholder base



**A COMMITTED GROUP**



**- 25%**  
of carbon footprint  
in 2026



## Fashion

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## Home & Lifestyle

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## Healthcare

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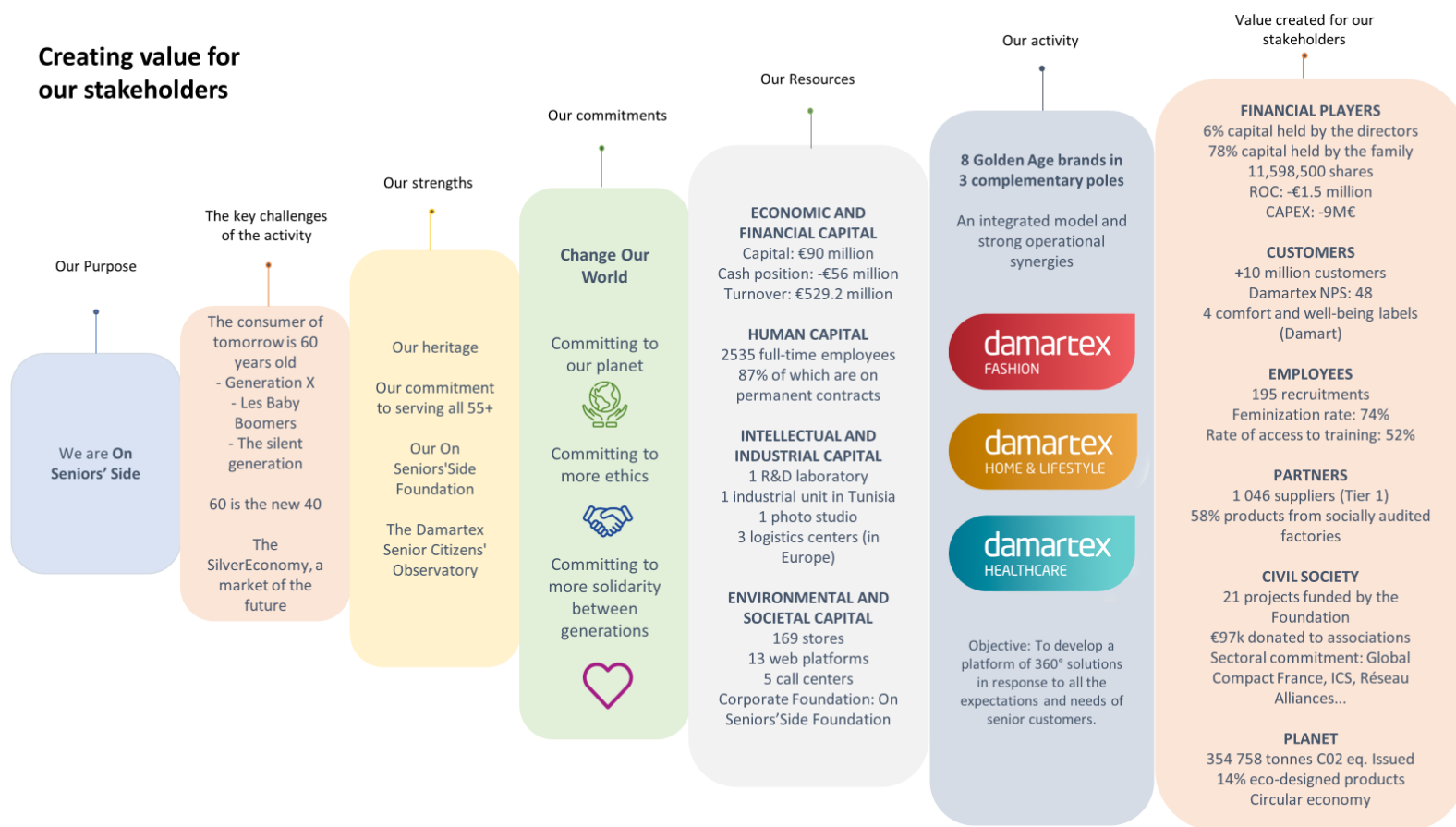


## The value creation model

Damartex, a solid model based on 3 complementary business lines at the service of a market of the future: *the Silver Economy*.

With 70 years of expertise in the senior market, and a sustainable model based on 3 business lines and 8 powerful brands, Damartex is operating in a structurally growing market of the future. Its mission: to offer 55+ the best in progress, fashion, home equipment and health solutions that make everyday life easier or more enjoyable. Damartex is a young group with an entrepreneurial and family DNA that is developing through an ambitious external growth policy in Europe.

### Creating value for our stakeholders



## **Corporate Governance**

The **Damartex group** is a family group whose shareholding is mainly family and very stable. The governance structure is two-headed, composed of a Management Board and a Supervisory Board, allowing a clear separation between the management and control functions. The Management Board, in charge of the day-to-day operational management, implements the strategy approved by the Supervisory Board, which is responsible for overseeing the activities of the Management Board and ensuring the long-term interests of the company and its stakeholders.

To ensure strong and transparent governance, we have established several specialized committees:

- The Audit Committee's mission is to ensure the relevance and permanence of the accounting methods adopted for the preparation of the consolidated and corporate financial statements and to verify that the internal procedures for collecting and controlling information guarantee this.
- The Remuneration Committee's mission is to submit proposals to the Supervisory Board, in particular concerning the amount and methods of calculating the remuneration of corporate officers and key executives, and to issue an opinion on the amount of remuneration granted to the members of the Supervisory Board.
- The Ethics Committee has the dual mission of promoting responsible behavior and monitoring the proper application of the ethical charter. It can be referred to for any subject relating to ethics: procedures related to purchasing, financial and accounting malfeasance, harassment, discrimination, etc.
- The Risk Committee identifies, assesses, and monitors potential risks, ensuring that adequate measures are taken to mitigate them. At the July 2023 Risk Committee, an initial assessment of CSR risks at Group level was carried out. For each of these risks, reduction actions are deployed at Group level and at local level in the subsidiaries and are detailed in this non-financial performance statement.

In response to these growing challenges of sustainability and social responsibility, the Supervisory Board is willing to create a CSR committee, made up of experts. The creation of this committee will address social and environmental issues at the highest level of the company and will allow the Board to benefit from the Board's informed feedback in the implementation of strategies, in line with the company's overall vision. This project will be presented and studied at the Supervisory Board meeting in November 2024.

On the other hand, we have planned to train the members of the Governance (Supervisory Board, Management Board and Executive Committee) in the challenges of sustainable development and give them the keys to understand the role of the company in the ecological and social transition.

The objective is twofold: to accelerate the Group's sustainable transformation and to meet the requirements of the CSRD<sup>1</sup> on the competence of managers in terms of Sustainable Development. Two 3-hour sessions are planned in September 2024 and March 2025.

Through this robust governance structure and dedicated committees, our company is committed to transparent, ethical, and sustainable management, thereby strengthening the trust of our stakeholders and our positive contribution to society. On the other hand, in order to accelerate the development of a sustainable business model, the Group has placed its social and environmental responsibility at the heart of its Dare Act Impact 2026 strategic plan.

At the operational level, a governance and an organization dedicated to the integration of CSR in the various business lines at all levels of the company have been put in place. The Group pursues a decentralized approach to CSR, based on the development of the skills of its teams.

While the CSR strategy, policy and ambitions are defined at Group level, each subsidiary has determined its own priorities within this plan, called Must Win Battles and presented during the budget sessions for the year 2024-2025.

The achievement of objectives is taken into account up to 30% for the determination of performance in the free share allocation plans. For the year 2024, the objectives relate to the share of responsible products in the offer, the customer satisfaction rate and the share of employees who have followed a climate fresco.

Finally, the Group CSR department reports to the CEO and relies on various bodies and relays in the business lines to implement the Group's CSR strategy. It is preparing to comply with the CSRD's reporting requirements<sup>1</sup>. In 2024, the company set up a transversal CSR, Finance and Internal Control working group and is working on the double materiality, the roadmap for each of the standards and is structured to be able to report the necessary data in 2026, to the 2025 financial year.

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<sup>1</sup> Corporate Sustainability Reporting Directive

## Stakeholder mapping

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

As a family business, 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 for improvement in environmental, social and societal matters.

The mapping below represents our key stakeholders and the level of dialogue maintained.

### Stakeholder mapping

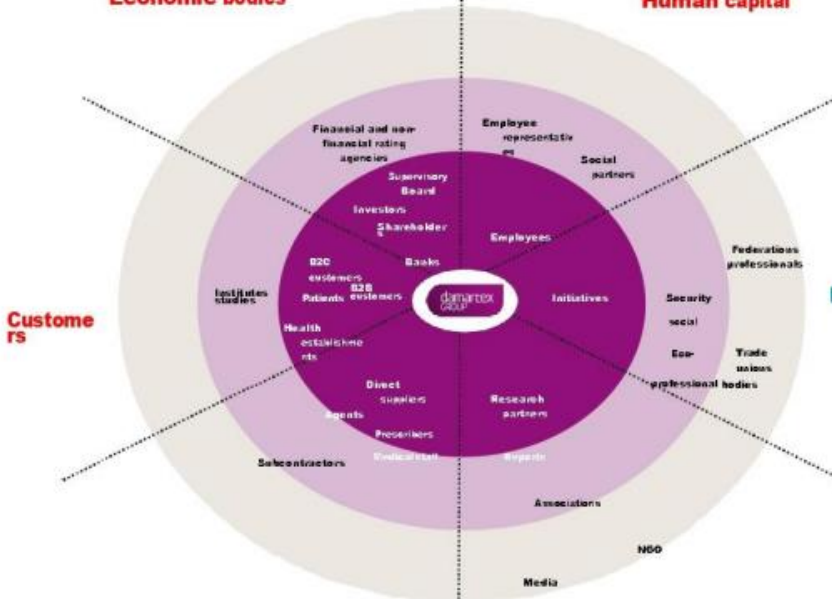
- Presentations to investors on the occasion of the publication of the annual results
- Quarterly presentations to the Supervisory Board Quarterly press releases
- Individual or group meetings with banks and investors
- Signature of agreements with banks and majority shareholder
- Questionnaires from rating agencies (Gala Rating) and analysts (financial and/or ESG)
- Publication of the annual report
- Strengthening ties through the shareholders' club

- Quality of Life at Work surveys (last survey in September 2021)
- Annual development interviews Signatories of the commitment for the 50+ age group
- Internal information channels: meetings, newsletters, internal social network, etc.
- Negotiation, consultation or information of employee representative bodies
- Signing and reviewing agreements
- Handing alerts



#### Economic bodies

#### Human capital



#### Customers

#### Ecosystem

#### Partners

#### Civil society

- Commitment to the responsible purchasing charter
- Regular remote visits or meetings between buyers and their suppliers (responsible purchasing, eco-design objectives, etc.)
- Audits and action plans to check suppliers' working conditions, working environment and product-related health risks
- Tool for managing commercial, contractual and ethical relations: Damart online portal
- Capitalising on long-term relationships

- Participation in the World Forum (an annual meeting of reference for international players in the field of corporate social responsibility), as a partner company since its creation in 2008
- Participating in the United Nations Global Compact as a member since 2015, and as a n°1 ambassador company for the circle of the Hauts de France region since 2019
- Support for numerous associations through our On Foundation Seniors' Side, including Duo for a Job, La Maison des Femmes, Kissing it Better
- Interaction with the media through quarterly press conferences and ad hoc requests for information
- Damart's participation in the IFTH DURHABI research project on the sustainability of textiles
- Xandres takes part in CETI's SCIRT research project on setting up a textile-to-textile recycling system
- Collaboration between the Belgian Thomas More University and Xandres on the investigation of the second hand

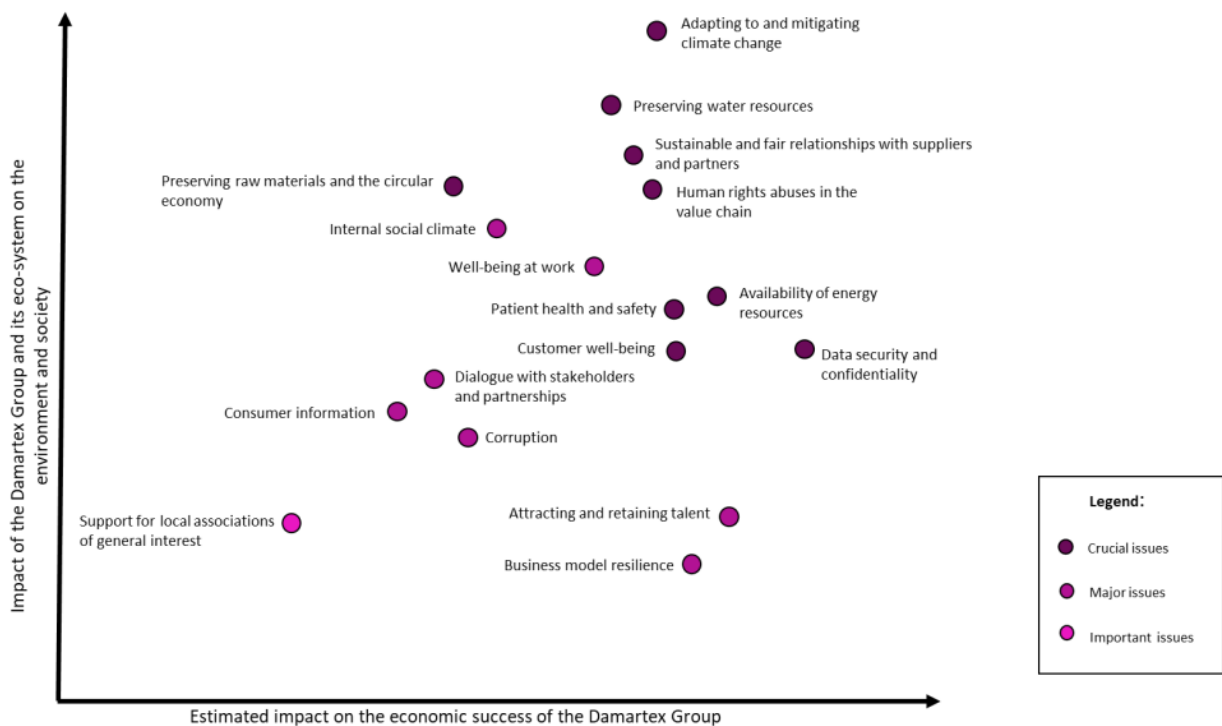
- Members of eco-organisations (Ciclo, Refashion, Ecologic, Ecomaison)
- Shareholder and member of the Refashion Board of Directors
- Member of the ICS (Initiative for Compliance and Sustainability) since 2017 and member of the COPIIL from 2019
- Participation in working groups proposed by the organisations (eco-modulation, communication) and the ICS (specific risks, reporting, grievance mechanisms, etc.)
- Member of the Executive Board of Alliance du Commerce (Director of the Fashion Division)
- French brands (Damart France, Afibel, Sédagyl and Vitrine Magique) signatories of the FEVAD responsible e-commerce logistics charter and vice-chairman mandate (chairman of the Damartex Group)

## CSR Mapping

In July 2023, an identification of the major social, societal and environmental issues for the Group was carried out on the basis of a document review (sector benchmark, trend analysis). Seventeen issues were identified and submitted to the members of the Risk Committee for a quantitative assessment.

This assessment made it possible to prioritise the Group's potential impacts on the environment and society. The result is a tool for steering the internal CSR policy.

The results of this analysis are presented below:



To prepare for the future regulation on non-financial reporting, the CSRD, we are currently working on the development of our double materiality matrix.

The double materiality analysis integrates the impacts generated by our activities on the environment and society, and conversely the risks and opportunities that these issues pose to the company's economic and financial situation. To this end, we have joined a Working Group, as part of our membership of the Trade Alliance, whose objective is to draw up a sector-wide analysis of the most material ESG issues, in order to serve as a basis for double materiality analyses of the distribution and textile sectors.

The steps are as follows:

1. Identification of material issues and stakeholders at the sector level,
2. Development of the methodology for the evaluation of double materiality,

3. Evaluation of the double materiality in co-construction with the identified stakeholders in the sector,
4. Group-wide adaptation taking into account our specificities,
5. Governance Validation.

This work will be carried out in the second half of 2024.

## Our CSR policy

Damartex is accelerating its transformation plan to achieve its missions by taking care of the planet and people, wherever the Group operates. Convinced that business and sustainable development are inseparable, we place CSR at the heart of our model, contributing to the Sustainable Development Goals (SDGs) and prioritizing them according to strategic issues:

	Limiting our environmental impact	Responsible Business Conduct	Promoting human capital	Developing our social commitment
<b>Strategic issues</b>	<ul style="list-style-type: none"> <li>▪ Designing more responsible collections</li> <li>▪ Reinventing manufacturing processes</li> <li>▪ Marketing more responsibly</li> <li>▪ Raising awareness among our customers about more responsible consumption</li> </ul>	<ul style="list-style-type: none"> <li>▪ Engaging our partners in our responsible purchasing policy</li> <li>▪ Treating and Considering Our Clients</li> <li>▪ Facilitating relations with our ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improving the quality of life at work and working conditions</li> <li>▪ Supporting the development of men</li> <li>▪ Promoting diversity, equal opportunities and inclusion</li> <li>▪ Developing the employer brand</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensuring that all seniors are respected and served</li> <li>▪ Carrying out solidarity actions</li> <li>▪ Growing the On Seniors' Side Foundation</li> </ul>
<b>Ambitions 2026</b>	Reduction of our CO2 emissions by <b>-25%</b> (compared to the initial 2020 measure)	<b>80%</b> of our products come from socially audited factories	<b>100%</b> of employees committed to CSR	Making the Group and its Foundation a <b>leading player in the inclusion of seniors</b>
<b>Levers of action</b>	<ul style="list-style-type: none"> <li>▪ Measuring our greenhouse gas emissions</li> <li>▪ Implement action plans on energy efficiency, transport, the circular economy, etc.</li> <li>▪ Innovating with responsible products</li> <li>▪ Limiting packaging waste</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensuring decent work conditions throughout the supply chain</li> <li>▪ Communicate transparently and in a helpful way with our customers</li> <li>▪ Ensuring ethical practices are followed</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regularly measure and improve the QWL of our employees</li> <li>▪ Offering training throughout the career and promoting the reception of young people</li> <li>▪ Ensuring fair working conditions internally</li> </ul>	<ul style="list-style-type: none"> <li>▪ Acting beyond business for the inclusion of seniors</li> <li>▪ Building partnerships for the SDGs</li> </ul>



<b>Sustainable Development Goals</b>	<b>9</b> INDUSTRIE, INNOVATION ET INFRASTRUCTURE	<b>15</b> VIE TERRESTRE	<b>16</b> PAIX, JUSTICE ET INSTITUTIONS EFFICACES	<b>8</b> TRAVAIL DÉCENT ET CROISSANCE ÉCONOMIQUE	<b>3</b> BONNE SANTÉ ET BIEN-ÊTRE	<b>4</b> ÉDUCATION DE QUALITÉ	<b>10</b> INÉGALITÉS RÉDUITES
	<b>13</b> MESURES RELATIVES À LA LUTTE CONTRE LES CHANGEMENTS CLIMATIQUES	<b>14</b> VIE AQUATIQUE			<b>5</b> ÉGALITÉ ENTRE LES SEXES		<b>17</b> PARTENARIATS POUR LA RÉALISATION DES OBJECTIFS

We are proud to announce that Damartex has obtained the GOLD level following the CSR assessment "Scoring by Positive Company" on behalf of La Redoute (based on 2023 data). This recognition is based on the main themes of ISO 26000 (Activity, Governance, Social, Environmental, Societal) and evaluates our various responsible and ethical approaches. This is a step forward towards a more sustainable business and we are excited to continue this journey.



## Part 1 - Limiting our environmental impacts

### **Our ambitions:**

- Designing more responsible collections
- Reinventing manufacturing processes
- Marketing more responsibly
- Raising awareness among our customers about more responsible consumption

**To 2026:** Reduction of our CO<sub>2</sub>eq emissions by **-25%** compared to the 2020 measure (constant Group scope)

We carried out our first scope 1-2-3 carbon assessment at Group level in 2020 (based on our 2018-2019 data). This assessment has allowed us to become aware of our CO<sub>2</sub>eq emission volumes, and to understand their distribution in the life cycle of our products. A second measurement was carried out in 2021-2022.

This year, we have therefore measured our carbon emissions for the third time based on data from the 2023-2024 financial year. Aware that our main impacts were related to the life cycle of our products, we carried out this measurement according to the GHG Protocol on the 3 scopes, taking into account the entire value chain. The defined scope is the scope of the Damartex Group and its entities in the Fashion (**Damart, Xandres**), Home & Lifestyle (**3Pagen, Vitrine Magique, Coopers of Stortford**) and Healthcare (**Almadia, Santéol**, scopes 1-2 for **Msanté**) business lines.

The Group emitted **355,143 tonnes of CO<sub>2</sub> eq**, or **0.67 kg CO<sub>2</sub> eq** per € of revenue in the 2023-2024 financial year. The relative uncertainty of the data on the total emissions of the **Damartex Group** is 37%, mainly related to the extrapolation of some data from the month of June and the autonomy thus facilitating data collection for the teams. The integration of the health sector and the revision of certain emission factors must also be taken into account.

We are committed to reducing our CO<sub>2</sub>eq emissions by **-25%** by 2026 (compared to the 2020 measure).

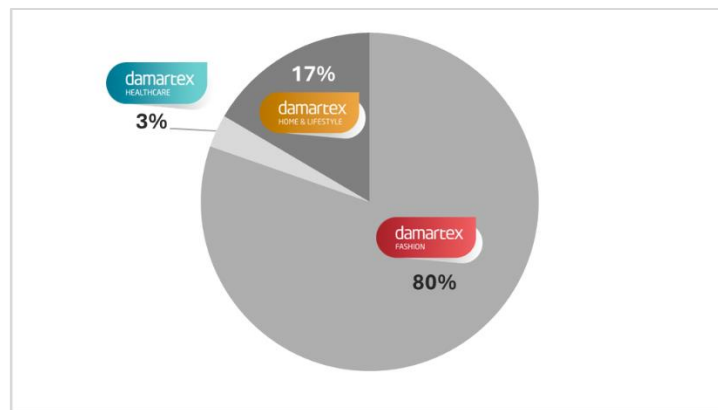
### **KEY IMPACTS IDENTIFIED**

The environmental impacts associated with the Group's activity are mainly due to greenhouse gas emissions related to the life cycle of products purchased or leased: raw materials or finished products, shaping and assembly, use and end-of-life at customers' sites, which account for more than **85% of emissions**.

The next largest emission items are digital (**6.3%**), transport (**4.5%**) and energy (**2.2%**).

Distribution of Damartex's greenhouse gas emissions across the value chain <sup>4</sup>	2018-2019	2021-2022	2023-2024
<b>Total emissions (tonnes CO2 eq)</b>	<b>599 400</b>	<b>533 582</b>	<b>355 143</b>
<b>Scopes 1 &amp; 2<sup>2</sup></b>	<b>1,5%</b>	<b>1,7%</b>	<b>2,3%</b>
<b>Scope 3<sup>3</sup></b>	<b>98,5%</b>	<b>98,3%</b>	<b>97,7%</b>
• Of which Purchase of products or services	45,3%	50%	74,3%
• Of which Upstream freight transport	0,8%	1%	1,7%
• Of which Downstream freight transport	0,8%	2%	2,8%
• Of which Customer travel	5,2%	5%	0,6%
• Of which commuting	0,6%	<1%	0,6%
• Of which waste	0,2%	<1%	0,5%
• Of which Use of products sold	45,2%	37%	8,8%
• Of which End of Life	1,0%	2%	1,8%
• Of which Digital	/	/	6,3%

The subsidiaries are divided into three segments: Fashion (**Damart, Xandres**), Home & Lifestyle (**Coopers of Stortford, 3Pagen**), Healthcare/Santé (**Santéol, Msanté, Almadia**). Emissions are divided according to sectors and their specificities:



We will detail the emission items in the different axes presented in this first part.

<sup>2</sup> "Scope 1" corresponds to direct emissions related to the combustion of fossil fuels (oil, gas, coal) used in the Group's buildings and those generated by refrigerant leaks from the facilities; this scope also includes the emissions of vehicles that the Group owns or controls. "Scope 2" corresponds to indirect emissions linked to the purchased production of electricity, heating and cooling.

<sup>3</sup> "Scope 3" corresponds to other indirect emissions, including purchases of raw materials, finished products, packaging, upstream and downstream transport. Some quantified but negligible emissions have not been included in the table above (fixed assets of assets, other indirect emissions, etc.).

<sup>4</sup> The scope of these measures has been modified compared to that of 2018/19 and 2021/22. In 2023/24, the health division is now part of the perimeter, while Afibel is no longer part of it.

## METHODOLOGY

This year was marked by several significant methodological changes in the realization of our carbon footprint, related to the measurement perimeter and the data collection framework:

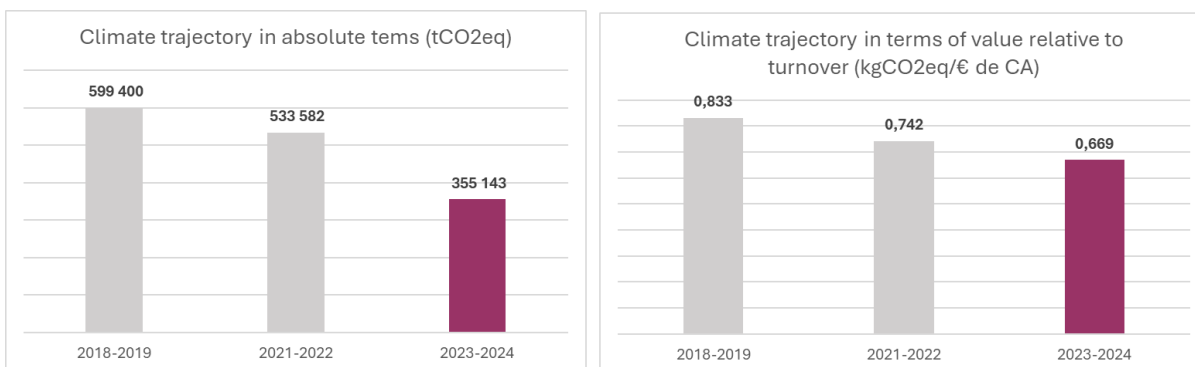
- The addition of the subsidiaries of the Healthcare division to obtain a more complete view of all the Group's activities (**Msanté** has been exempted from the calculation of a scope 3).
- The sale of the Afibel entity, affecting our scope of measurement.
- The addition of digital emissions, to adjust the calculations to our business.
- Updating the emission factors used (according to the ADEME Empreinte database).

The methodology adopted for measuring our emissions is detailed in the end-of-report methodological note.

## CLIMATE TRAJECTORY

We are committed to reducing our CO<sub>2</sub>eq emissions by **-25%** by 2026 (compared to the 2020 measure).

The graphs below represent our real trajectory in absolute value and in relative value per € of turnover:



Although our turnover decreased by 26.5%, we reduced our CO<sub>2</sub>eq emissions by 41% in absolute terms compared to the 2018-2019 financial year. Taking into account the drop in turnover, we still see a relative reduction in our emissions of **19%** compared to our initial measure. This is a testament to our strong commitment to achieving our climate goals.

## DEFINE OUR STRATEGIC REDUCTION AXES

As part of the Dare.Act.Impact 2026 strategic plan mentioned above, each subsidiary has determined and identified its priority initiatives, called Must Win Battles, for each strategic axis. Our CSR program Change Our World is one of them. Thus, the subsidiaries have developed a

series of actions, some common to all the clusters, others specific according to the particularities of each entity.

The various subsidiaries have placed the design of more sustainable products, more virtuous manufacturing processes, less impactful marketing, and awareness of more responsible consumption at the heart of their action plans.

Rules adapted to each sector of activity have been defined. They relate to materials and materials, labels, manufacturing processes, origin and durability of products.

## 1. Designing more responsible collections

Overall, **33%** of the products in the collections marketed in the 2023-2024 financial year (11.23% in 2022-2023) fall into the category of more responsible products according to the framework set by the Group, particularly in terms of raw materials and origin. The table below shows a difference in maturity depending on the brand.

### *More responsible referral rates*

DAMART*	XANDRES**	3 PAGEN***	COOPERS OF STORTFORD
<b>38.71%</b> (17.31% in 2022-23)	<b>80.99%</b> (61.27% in 2022-23)	<b>10.15%</b> (0.14% in 2022-23)	<b>40%</b> (3.68% in 2022-23)

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

\*\***Xandres** includes European origin provided that the country benefits from a favourable energy mix (less impactful than the European average).

**Home & Lifestyle** includes all countries in the world, provided that the country benefits from a favourable energy mix (less impactful than the European average).

For the first time this year, an extra-financial indicator on the share of products with limited impact for the Fashion division was published in the Group's half-year press release. The publication of this indicator is a significant step towards greater transparency and rigorous monitoring of our environmental objectives.

## MATERIALS, MATERIALS AND LABELS

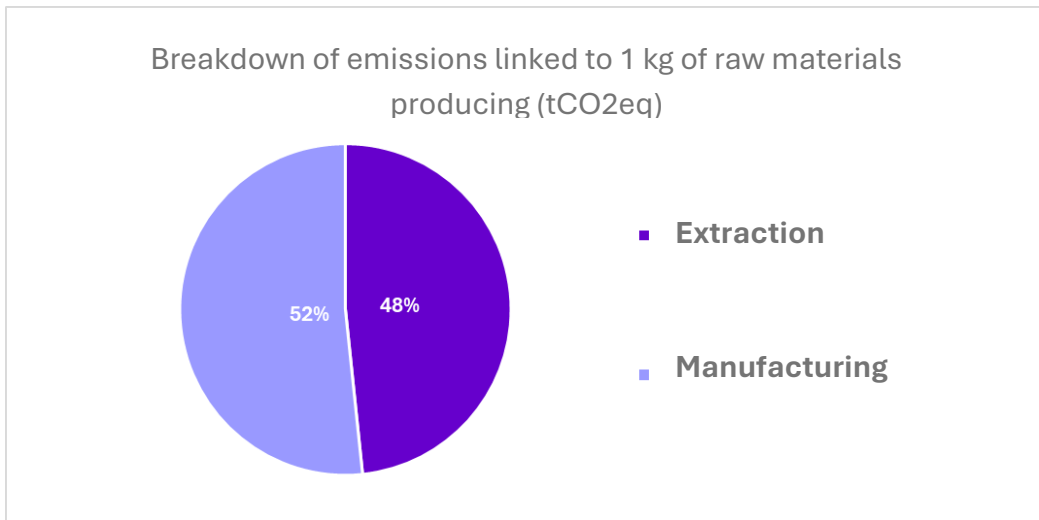
The product and purchasing teams are fully involved in the development and sourcing of products by:

- Incorporating recycled, bio-based and alternative materials of natural origin in a proportion of at least 30% of the weight of the product.
- Using certifications with eco-labels.

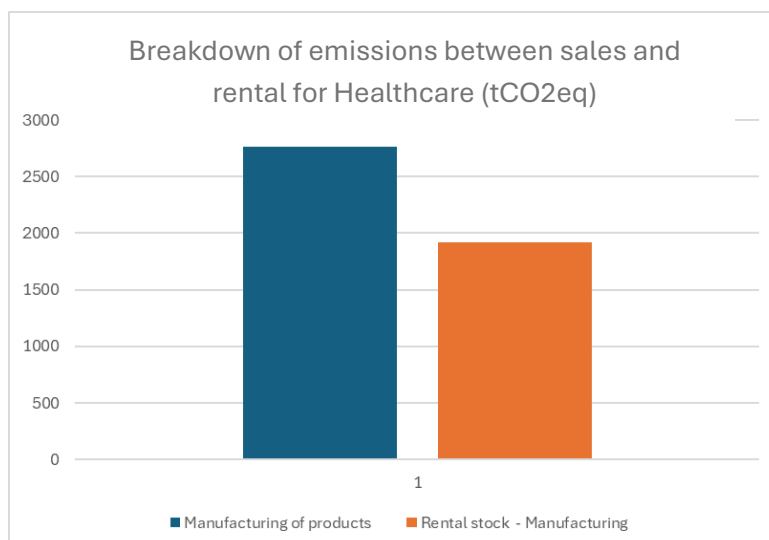
## FOCUS ON CARBON FOOTPRINT

Product purchases account for **74% of the Group's total emissions**, underlining the importance of intervening from the design phase. They are divided into several categories:

- For the Fashion sector: purchases of textile products are evaluated on raw materials according to two main stages: extraction to yarn, then manufacturing to the finished product.



- For the Fashion and Home & Lifestyle segments: product purchases include home furnishings, accessories, leisure items, wellness items and promotional items (excluding textiles).
- For the Healthcare sector: purchases of medical machines from the rental stock for home care and sales represent the majority of purchases. **Almadia's** sales activity also includes small medical equipment.



## Fashion sector

To help them in this area, internal and external training has been provided to the product and purchasing teams and a practical eco-design guide has been distributed. At the beginning of 2024, **Xandres'** Sustainability team also travelled to Roubaix to discuss the projects and CSR issues common to the two entities with the **Damart teams**.

**Damart** has focused on 3 labels more specifically:

- STANDARD 100 by OEKO-TEX® to guarantee a process of traceability, safety and go beyond the most restrictive regulations
- GRS (Global Recycled Standard) and GOTS (Global Organic Textile Standard) to guarantee the recycled or organic origin of the fibres used and a production that respects rigorous environmental and social criteria. Damart has been GOTS and GRS accredited for two years.

A collection of certificates has also been set up throughout the process of creating and purchasing products, and the teams concerned were made aware last year regarding document control and communication. Thanks to the involvement of the teams this year, the rate of more responsible references at **Damart** has more than doubled.

For its part, **Xandres** has defined a matrix of raw materials to be prioritised. This matrix is a living document that aims to guide the creative team to help them make sustainable choices when it comes to fabric sourcing.

## Home & Lifestyle sector

The **Home & Lifestyle** teams also adapted the rules to their product types, during a cross-functional working group made up of the Purchasing, Quality and Product teams. Criteria related to materials (recycled, organic or alternative), and labelled to be favoured in the selection of products have been adopted in accordance with the sector of activity.

The beginning of 2024 was also marked by the training of the purchasing teams of **Coopers of Stortford and 3Pagen** in the eco-products rules validated for the division. These new rules are based on the following criteria: raw materials, labels, country of manufacture, and products that allow responsible consumption. During a presentation workshop, these new rules were set out and the participants reflected together on the application of these rules in the product selection process. 22 people were present remotely from France, the United Kingdom and Germany.

To go further, tools are also available to the teams to facilitate dialogue with suppliers: an FAQ to answer suppliers' questions as well as a guide with details of the various certifications and labels have been built.



## KEY FIGURES

- Approximately 4,500 tonnes of fibres were purchased across the Fashion division, which generated **117,000 tonnes of CO<sub>2</sub>eq**, representing 60% of the impact of the Fashion division's product purchases (40% for other products).
- 16% of the total materials purchased by **Damart** and **Xandres** for the Spring/Summer 2023 and Fall/Winter 2024 collections include recycled or organic fibers (0.07% in 18-19).
- The use of these recycled or organic fibres has made it **possible to avoid the emission of 6,000 tonnes of CO<sub>2</sub>eq per year** compared to the use of conventional fibres.
- The eco-design work begins for the **Home & Lifestyle division**. Currently, production represents **25,500 tonnes of CO<sub>2</sub>eq**.
- The Healthcare division recorded **sales activity of 59% compared to 41% in rentals**. The rental business is set to take over the sales business, with a smaller impact than sales.

## ANIMAL WELFARE

The **Group's fashion brands** have been committed for several years to rejecting 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 **the Home & Lifestyle brands**, all beauty product ranges comply with the current European regulations on animal welfare. **3Pagen** prohibits the distribution of wool-based products from Australia because of the practice of mulesing, angora wool and goose feather products because of live plucking.

## INNOVATION

**Xandres** has created the "Xandres Lab", to dedicate itself to experimentation and innovation. This means moving from a linear design-make-dispose model to a system that avoids waste and reuses and recycles end-of-life items. The ambition is to reuse the remaining fabrics. Thus, a capsule collection has been created with Studio Circulaire. Created from unsold jeans, 80 upcycled denim jackets have been handmade in Belgium. This initiative gives a second life to residual materials, transforming unsold or obsolete jeans into trendy and desirable clothing.

### Upcycling, what is it?

*Upcycling consists of reusing existing materials or products to create new ones without resorting to new raw materials.*

Convinced that the reduction of environmental impact will also be achieved through innovation, the R&D department is at the heart of the **Damart brand strategy**.

Damart's **Research and Development department** is composed of 4 engineers, experts in their field, whose mission is to enable the Damartex group to strengthen its leading position in the areas of "customer benefit" with:

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

Today, these innovations and labels represent **16%** of the references marketed by **Damart** in the 2023-2024 financial year (15% in 2022-2023).

All new developments and new innovations are carried out from a more virtuous perspective regarding the environment:

- Thermolactyl® recycled fibres: after successfully replacing all polyester with recycled polyester (about 70% of annual volumes), the substitution of conventional acrylic to integrate acrylic fibres of recycled origin has been developed and industrialised in a definitive way.
- Recylactyl®: as a continuation of research on the "closed loop" recycling and upcycling of Thermolactyl cutting scraps produced at DMT, Damart's R&D team has launched the Recylactyl project. In this context, the opportunity to surround himself with renowned industrial players has made it possible to concretize a promising proof of concept. With this first successful step, the company is now in a phase of setting up an industrial chain. This evolution marks a decisive turning point, moving from theory to practice, and makes it possible to envisage the recycling of textile waste by reintegrating it into the production of underwear, or into other types of products. More responsible design principles have been incorporated into every step of the process, ensuring that the approach is environmentally friendly and supports the circularity of resources.
- Damart Sport®: the requirement is maintained with always 100% of the new products developed by integrating fibers of recycled origin or less impactful for the environment. In the same perspective of reducing impact, tests are underway to produce certain products in France.

## SUSTAINABILITY AND SAFETY OF PRODUCTS AND SERVICES

Ensuring safe and sustainable products for our customers is part of the DNA of the Group's brands. Considering that a quality item is made to last and can be kept longer by the consumer and in order to respect the specificities of each sector, each brand has its own quality department.

## Fashion sector

The Group's brands are committed to a more responsible and sustainable fashion approach, as opposed to Fast-Fashion, by offering quality clothes made to last.

Damart's approach is described below. All products and their components are subject to precise technical requirements, based primarily on international standardised tests on:

- Strict compliance with the regulations in force (Reach, Pop, Security, etc...)
- Performance in use and maintenance
- Sustainability (program described below "Made to Last")
- The veracity of the claims (GOTS, recycled, antibacterial, combed cotton...)

The Matter Division of the Quality Department plays a central role in the scientific monitoring of industrial solutions that emerge regularly, since the need for sober technologies has become both a strategic and fiscal priority for retailers. Our materials experts ensure the real environmental effectiveness of the solutions proposed, in order to promote reliable labels to the creative teams.

Similarly, the "Made to last" project, which began two years ago, aims to reassure our customers about the quality and longevity of products based on 4 guarantees:

- "Appearance" guarantee: resistance to pilling, colour fastness, appearance after washing
- "Fit" guarantee: dimensional stability in washing and twisting
- "Sensoriality" guarantee: soft touch maintenance
- "Thermolactyl" guarantee: thermal performance maintenance

The first results had shown that after 78 washes, the quality of a tested Thermolactyl mixture was not altered and corresponded to the 4 guarantees. Further tests have been launched this year on another Thermolactyl blend, the results of which will be available in the next financial year.

**Damart** is also part of the brand commission and actively participates in the IFTH's DurHabi collective project, which brings together 53 brands and 5 suppliers. The aim of this project to assess the lifespan of textile and clothing articles is to find a method for calculating the longevity index of a textile. The results were published in April 2024, and now allow participating brands to draw inspiration from the specifications established by product family, according to international standards, in order to better formulate their product longevity requirements with their industrial suppliers.

In addition, since 2018, **Xandres** has been actively involved in the Belgian working group 'Close The Loop Programme'. This initiative focuses on the transition to a circular economy and the integration of circularity principles into the supply chain and into the daily interactions between stakeholders. On the exercise, in collaboration with two organizations, **Xandres** has developed a tool called "Quality Framework", available online. This guide develops guidelines to provide textile brand designers and buyers with technical criteria and an evaluation framework to extend the life of garments. Detailed test protocols are described (tensile strength, seam strength, pilling, etc.) and recommendations regarding material selection, cut design, and production processes are aimed at mitigating common defects.

**Home & Lifestyle sector**

The Purchasing teams are working on writing sustainability criteria for products and small household equipment. The idea is to think about the introduction of thresholds that can be verified by laboratory tests or quality inspections, a guarantee of a product life that is longer than that of the market.

More broadly, the brands of the **Damartex Group** are not part of a process of multiplying collections and the origin of most of them gives them a high rate of renewal of collections, which does not encourage overconsumption.

*Collection renewal rate*

DAMART	XANDERS	COOPERS OF STORTFORD	3PAGEN	ALMADIA
75% (74% in 2022-2023)	23% (21% in 2022-2023)	62% (46% in 2022-2023)	74% (77% in 2022-2023)	88% (98% in 2022-2023)

➤ **Product Safety**

**Fashion sector**

Within the **Fashion division**, orders are subject to online and/or pre-shipment and/or receipt checks on technical compliance, non-defects, regulatory control (Reach/Pop Directive), and logistics (packing & packaging).

**Damart** has also established a list of prohibited chemical substances within its specifications. These include two of the most common per- and polyfluoroalkyl substances (PFAS): PFOA and PFOS, which have been classified as "carcinogenic to humans" and "possible carcinogenic" by the International Agency for Research on Cancer.

**Home & Lifestyle sector**

The conformity of the products placed on the market is verified based on European and national regulations in the countries of sale, brand specifications and customer satisfaction. For this reason, all suppliers must strictly comply with the regulations in force (e.g. Reach & Pop regulations, cosmeto-textiles, biocides, etc.) and sign the required certificates.

Regulatory documents such as CE, RohS, LfgB standards are verified and kept in the product management system to ensure the customer's safety. Upstream checks before sending the products are carried out by third-party bodies.

**HealthCare Sector**

A team of health professionals (including pharmacist, nurse, dietician and occupational therapist) joined **Almadia**. With their experience and their different areas of expertise, they are regularly called upon to select, test and validate medical devices.

➤ **Safety of services**

**HealthCare Sector**

Within the Healthcare Division, the **Santéol** and **Msanté** entities have ISO 9001 – Quality Management certification, which guarantees that the products and services delivered are in line with customer quality requirements.

## 2. Reinventing manufacturing processes

The choice of production countries, the partnership with our suppliers for more responsible manufacturing processes and the exemplary nature of our DMT production plant are the levers of action for reducing the impact of the manufacture of our products.

### COUNTRIES OF PRODUCTION

The choice of the country of production, guided by its energy mix, is structuring to achieve our objectives of reducing our carbon footprint.

The Group considered that the origin of the country of manufacture of the products fell into the responsible product category provided that the country benefits from a favorable energy mix (less impactful than the European average).

#### Fashion sector

The following countries could therefore be taken into account: Albania, Austria, Belgium, Croatia, Denmark, Spain, France, Hungary, Italy, Latvia, Luxembourg, Norway, Netherlands, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland.

For its part, **Damart** has chosen to restrict this criterion to manufacturing in France: this concerns **36 references** from the collections sold in the 2023-2024 financial year (14 references in 2022-2023).

#### Home & Lifestyle sector

Depending on the raw materials and specific know-how, given the typology and diversity of Home & Lifestyle products, it has been considered that a product manufactured in a country with an energy mix that is more favorable than the European average (and therefore less emissive) can be considered more responsible.

Thus, Vietnam could be considered. The Purchasing and Sourcing teams of the Home & Lifestyle Division are developing new partnerships to reduce the impact of product manufacturing.

### PARTNERING WITH SUPPLIERS

At **Damart**, Life Cycle Assessment was carried out by 2 specialized research firms in 2021 to reduce the impact of two iconic products: the Thermolactyl blend of underwear and the Perfect Fit pants. Thanks to the results of these analyses, beyond the modification of the compositions in recycled materials, the washing technique has been modified towards less impactful solutions

and thanks to the cooperation with the main denim supplier in Bangladesh, **Damart** now uses a washing technology that uses less water and energy.

To renew Damart's **GOTS and GRS accreditation**, new requirements have been added to the list of criteria. Thus, a questionnaire was drawn up including quantitative and qualitative questions relating to the environmental policy of the suppliers concerned by the production of these labelled products. Indicators are to be built with Damart's Purchasing team to perpetuate this practice around the analysis of the environmental performance of suppliers, and then support them in reducing their water and energy consumption.

### THE EXEMPLARY NATURE OF THE DAMART MANUFACTURING TUNISIA FACTORY

The Damart **Manufacturing Tunisia (DMT)** production plant has implemented its environmental policy as part of the MESQ (Environmental, Social and Quality Management) project, which began in early 2022.

In May 2021, the plant had already volunteered to carry out a first environmental audit (under the ICS standard) as a starting point for the launch of the project. Since then, several steering committees have been held bringing together the Tunisian teams and the support teams in France concerned by the project. In particular, it was agreed that two management systems, Quality and Environment, will be put in place.

Significant progress has been made on environmental policy in recent months:

- Creation of a documentary system to formalize the procedures of the environmental policy,
- Creation of an Environment Committee
- Installation of water meters and monitoring of consumption by department,
- Inventory of refrigeration equipment,
- Monitoring of electricity and natural gas consumption,
- Training ISO14001 on 4 levels of mastery (expert, mastery, basic knowledge and awareness),
- Indicators related to the implementation of an Environmental Management System,
- Action plan for the implementation of environmental actions suggested by the committee and the follow-up of environmental audits to reduce negative impacts.

An action plan has been drafted and implemented, including the different types of documentation of indicators related to the implementation of an Environmental Management System. This year, all the members of the Environment Committee set the definition of the missions, the validation of the action plan and environmental indicators, and ultimately, the implementation of the environmental policy.

All **DMT** teams have also been made aware internally about water consumption, ozone-depleting substances, greenhouse gases, and the energy used by transport.





### 3. Marketing more responsibly

This notion of more responsible marketing includes efforts and action plans to reduce our environmental impact on the energy of buildings and points of sale, employee travel, freight transport and waste management.

#### ENERGY

##### ➤ Buildings

We strongly believe that the transition to more energy-efficient buildings is not only an environmental responsibility, but also a strategic opportunity for our company. All the Group's brands are committed to reducing their energy consumption.

#### FOCUS ON CARBON FOOTPRINT

Energy has an impact equivalent to **6,017 tonnes of CO2 eq** over the past financial year, compared to **6,409 tonnes of CO2 eq** in 2023. This represents about 1.7% of total emissions. The Group's main sources of energy consumption are store lighting, the operation of heating and air conditioning installations and the supply of IT systems.

Shops and warehouses consume a significant share of energy, particularly natural gas and electricity. This encourages us to strengthen energy efficiency measures and to favour cleaner and renewable energy sources to further reduce the carbon footprint.

Aware of the urgent need to achieve energy efficiency and supply difficulties due to the geopolitical context, reduction action plans have been drawn up by all the Group's brands.

In France (**Damart, France, DSB**) and the United Kingdom (**Damart UK** and **Coopers of Stortford**), in accordance with the sobriety actions approved by governments, a number of actions have been put in place:

- Internal communication to raise awareness of eco-gestures on the actions and savings made
- Reduction of outdoor lighting (parking lots and signs)
- Temperature reduction instructions, heating and switching to reduced mode at night and on weekends if possible thanks to timers
- Optimisation of building occupancy, to reduce heating
- Replacement of existing lighting with LEDs
- Verification of the operating modes in economy for the warehouse equipment
- Installation of motion sensor lighting in all common areas

- Building insulation

In addition, thanks to the consumption savings achieved following the installation of a new boiler on the DA site, we were able to undertake an in-depth study in collaboration with Smart Impulse. As a follow-up to this study, a number of initiatives have been implemented, making it possible to reduce electricity consumption by 7%.

#### ➤ **Points of sale**

For several years, the **Damartex group** has been committed to making its physical points of sale responsible. The sales channel of the stores represents 22% of the sales made over the period, which makes it a channel still widely acclaimed by our customers.

### FOCUS ON CARBON FOOTPRINT

Customer trips to stores represent **less than 1% of the** Group's total footprint.

To assess this impact, we based ourselves on the August 2019 Cerema study, "Mobility and Commerce", and also made assumptions about customer travel patterns based on the location of our stores and the number of annual visits.

According to our estimates, 24% of customers drive to the store. However, this mode of transport remains the most emissive, contributing to **99% of the emissions related to visitors' trips to the store.**

**Damart**, the Group's historic brand, has 95 stores in France and 58 in Belgium. They are located in city centres, in business parks ("*Retail parks*") or in shopping centres. In these points of sale, the lighting is gradually replaced by LEDs and the illuminated signs are switched off 30 minutes before opening and after closing during periods of low activity. In line with the legal recommendations of the French government's energy sobriety plan , a guide to good practices related to energy savings has been shared and applied in all stores in France.

In addition to these improvements in energy management, the majority of store furniture are mainly sourced from Europe (86%).<sup>4</sup> This furniture is made primarily from recycled materials, including steel and wood, which are reused as soon as possible.

#### ➤ **Digital fingerprinting**

With the increasing use of digital technologies in all our activities and with all our stakeholders, it has become essential to make our employees aware of these impacts.

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<sup>4</sup> Example on the Quimper store

## FOCUS ON CARBON FOOTPRINT

The digital carbon footprint and IT equipment contribute significantly to the company's overall CO2 emissions. Together, these two emission poles total **22,503 tonnes of CO2 equivalent**, or 6.34% of total emissions.

This year marks an important milestone, because for the first time we are including the environmental impact of commercial emails sent to our customers in our assessment. **99% of these digital emissions** are due to these emails sent to customers. This percentage demonstrates the importance of the contributions of digital technologies and IT equipment to overall emissions, highlighting the need for the company to adopt more sustainable practices in these areas to reduce its overall carbon footprint.

This underscores the need for Damartex Group companies to develop digital sustainability strategies, such as improving the use of renewable energy sources for data centers, or implementing recycling programs for electronics. Reducing the digital carbon footprint and emissions of IT equipment can significantly contribute to decreasing the overall environmental impact of the company.

Faced with the observations of the environmental impact of digital technology, last year, employees of Damart's French, Belgian and English subsidiaries were invited to join the Digital Cleanup movement, an initiative aimed at raising awareness of the growing environmental impact of digital technology. Simple best practices, without constraints of place or time, have been disseminated to encourage the cleaning of their digital equipment.

This year, all the **Group's** entities have been invited to adopt five specific best practices: the cleaning of mailboxes, computers, telephones, drive-throughs, as well as the responsible use of social networks. The objective of this challenge was to lighten the equipment to improve its performance and extend its lifespan, while raising awareness of the environmental impact of digital technology. At **DMT** in Tunisia, presentations for factory staff eager to learn more about this topic also took place during the challenge.

In a nutshell, at the level of the **Damartex Group**, more than 400 employees participated in the challenge, i.e. a Group participation rate of around 15% this year. Together, they deleted more than 640,000 emails and more than 2,100 GB.

## EMPLOYEE TRAVEL

### ➤ Business travel

The **Damartex Group** wishes to promote the use of electric vehicles internally, the installation of electric terminals on the headquarters of each entity, and to favor the use of trains over aerial vehicles.

Particular attention is paid to the vehicles of technicians and sales representatives of the brands of the Healthcare Division who make rounds at patients' homes. For example, at **Almadia**, an eco-driving training project is carried out by the management teams for the fleet of 40 professional vehicles.

**FOCUS ON CARBON FOOTPRINT**

The use of the Group's own and long-term leased vehicles generated **1,500 tonnes of CO2 eq** this year (compared to 1,160 tonnes of CO2 eq in 2022).

For the Damart **France, DSB** and **Damartex Corporate** entities, business trips represent **34 tons of CO2 eq**. 93% of these trips are made by train.

➤ **Commuting**

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

In addition, incentives for the use of an electric vehicle (**Damart UK**) or a bicycle (**Coopers of Stortford, DSB, Damartex Corporate, Xandres**) have been put in place, in particular through financial aid for employees.

For their part, the employees of the sites in France took part in the Hauts de France Mobility Challenge last September. A map of the Lille Metropolis was also made available to employees to identify carpooling possibilities.

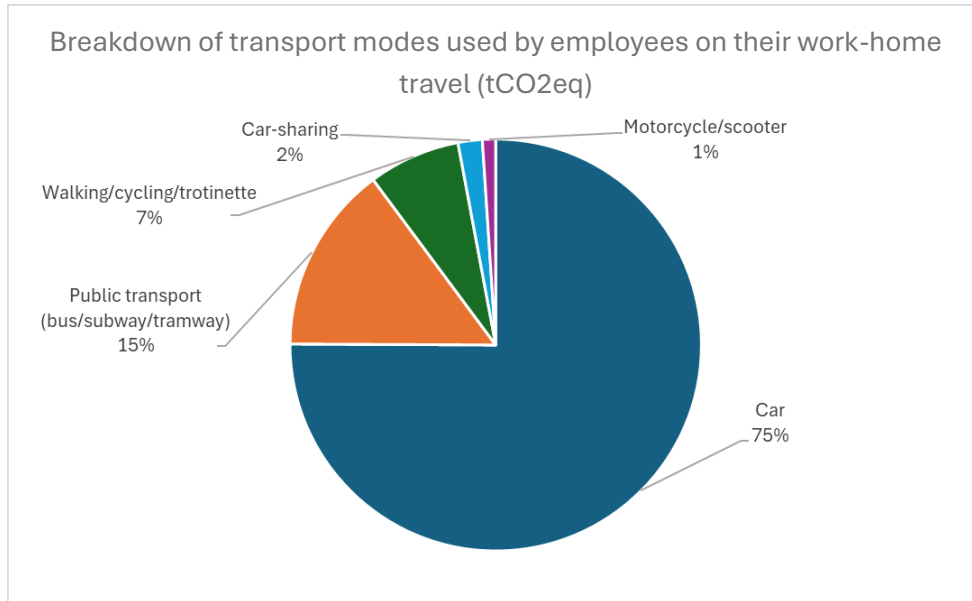
Teleworking is practiced in all Group companies 8 to 12 days a month.

**FOCUS ON CARBON FOOTPRINT**

Employee travel represents approximately **2,000 tons of CO2 eq**, or less than 1% of the Group's total footprint.

To assess the impact of our employees' travel, we formulated assumptions based on an internal Damart ( **DSB**) survey. At the end of 2023, a think tank on parking around seats conducted a survey entitled "Parking and Mobility". The objective was to draw up an inventory of the means of transport used to get to work and to collect opinions on possible ways of improvement.

This survey collected 192 responses, providing a detailed view of our employees' mobility habits. Thus, the graph below shows the distribution of employees' modes of transport:



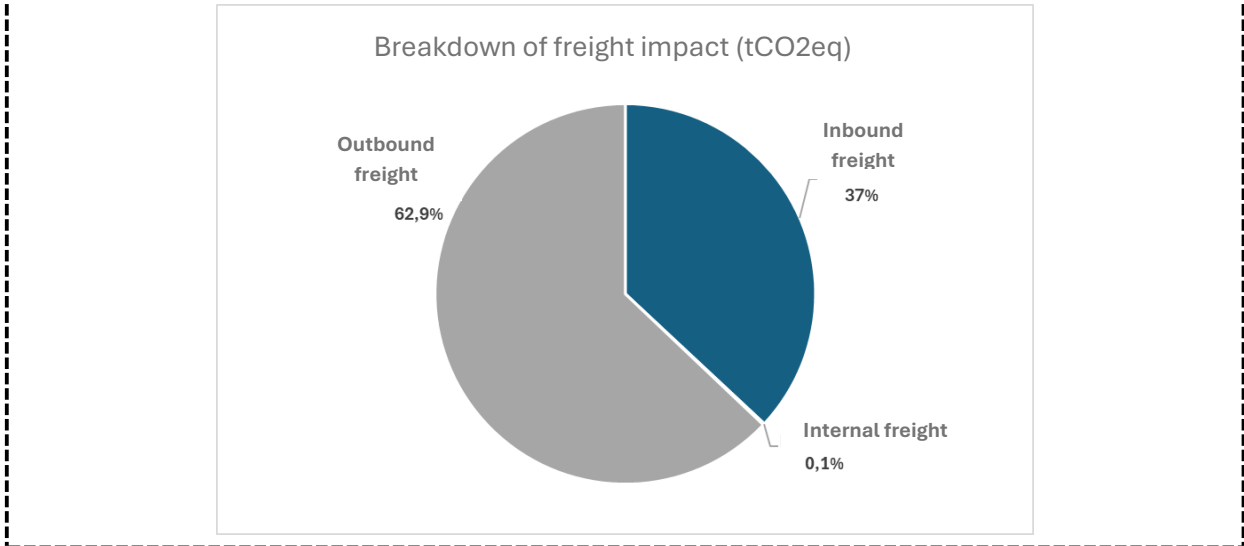
The private car remains the most used means of transport by employees, accounting for **97% of emissions related to commuting**. As for soft mobility, such as walking and cycling, it has no impact on the carbon footprint.

### UPSTREAM AND DOWNSTREAM TRANSPORT

As part of our commitment to reducing impacts on our value chain, the management of the transport of our products is of paramount importance. Upstream transport (or freight) refers to the transport of our products to our warehouses, while downstream transport (or freight) refers to the distribution of these finished products to our points of sale and end customers.

### FOCUS ON CARBON FOOTPRINT

Transport and logistics to transport products have an impact equivalent to **15,855 tonnes CO<sub>2</sub> eq** (compared to 15,005 tonnes<sub>CO<sub>2</sub></sub> eq in 2023) at Group level (excluding **Msanté**).



The courier vehicles used by **Damart France** for internal transport between the different sites are now electric.

- **Upstream transport: from suppliers to warehouses (which represents 37% of the impact of the item)**

**FOCUS ON CARBON FOOTPRINT**

The maritime route, which is economical and has a reduced environmental impact (the lowest ratio of tonnes CO2 eq to tonne.km) is by far the preferred mode of transport for intercontinental connections for all the Group's brands. Despite a very limited use of air transport (only 1.5% of the volume transported), it represents **65% of the overall impact of upstream transport** (in tonnes CO2 eq). In absolute terms, upstream transport has an impact equivalent to **5,900 tonnes of CO2 eq.**

Mix modal of inbound transport modes (in nb of products)

Mode	Percentage
Maritime transport	63,3%
Road transport	35,2%
Air transport	1,5%
Rail transport	0%

Emissions linked to inbound transport modes (in tCO2eq)

Mode	Percentage
Air transport	65%
Maritime transport	23,5%
Road transport	11,5%
Rail transport	0%

\* Excluding **Coopers**.



**Damart** has long-term relationships with its carriers, which tend towards the use of alternative fuels. More recently, the use of the train has been reconsidered for transport flows between the factory in Tunisia and the warehouse in France. New tests in collaboration with a haulier took place last June, and confirmed the feasibility of the project: the volume of cardboard transported in a conventional trailer is equivalent to that of a rail cab. As a result, DMT packages will be transported by ship and rail starting next fiscal year as soon as possible, saving approximately 585 kg of CO<sub>2</sub> eq<sup>5</sup> per trip.

- **Downstream transport: from warehouses to customers (which accounts for 62.9% of the item's impact)**

**FOCUS ON CARBON FOOTPRINT**

Downstream transport concerns the supply flows from warehouses to points of sale or customers' homes. This transport is carried out entirely by truck. The pace of replenishments is managed by the Group, but delivery is provided by external service providers.

We have chosen to distinguish between the different downstream transport flows (which depend on our activities):

- Store distribution network (**11% of the impact related to downstream transport**)
- Sending mailings and catalogs to customers (**57% of the impact related to downstream transport**)
- Orders sent to customers (**32% of the impact related to downstream transport**)

Breakdown of outbound freight impact (in tCO<sub>2</sub>eq)

Activity	Percentage
Mailings & catalogs	57%
Shipping to customers	32%
Transport of products to stores	11%

<sup>5</sup> A rail transport consumes +/- 943 kg of CO<sub>2</sub>eq for a full body while a road transport for a full trailer consumes +/- 1528 kg of CO<sub>2</sub>eq

By joining the Carbon Offset approach of La Poste's Mail and Parcel Services, the amount of residual and incompressible CO2 emissions linked to the sending of all our catalogues in France (**Damart, Almadia and Vitrine Magique**) is offset for the benefit of environmental projects.

In 2023, we met with **Damart France's** carriers to discuss their CSR policy. Their strategy includes an energy mix between conventional and alternative biofuels, equipping them with electric vehicles for the last mile and bulk delivery to improve the filling rate of trucks.

**Almadia**, in partnership with OCP, has implemented a remarkable initiative to optimize pharmacy deliveries. Indeed, OCP and **Almadia** found that the two companies served the same pharmacies for a quarter of **Almadia's** orders. By pooling their delivery efforts, they have managed to significantly reduce the required journeys, thus allowing a substantial reduction in greenhouse gas emissions related to downstream transport. This synergy not only improves logistics efficiency, but also demonstrates their shared commitment to environmental sustainability.

## END-OF-LIFE OF PRODUCTS & WASTE RELATED TO THE ACTIVITY

Even if the end-of-life of products marketed by the Group's brands represents only **2% of the carbon footprint**, it remains a lever for reducing our impact on the planet, in particular by acting on the recyclability of our packaging, the recovery of unsold products and the collection of used products.

### ➤ Activity-related waste

#### - Packaging waste

Through its omnichannel distributor of products for seniors, the Group generates plastic packaging waste (at the warehouse, in stores or at customers' sites).

In accordance with the Anti-Waste for a Circular Economy Act (AGEC), no more plastic film for mail and catalogues was used in 2023 by the Group's French subsidiaries.

### KEY FIGURES

Tonnes of plastic packaging waste marketed in 2023 at Group level: **263 tonnes**, down **39%** compared to 2022/23 (excluding **Afibel**)

Eco-contributions paid for packaging in 2023 at Group level: **€391,000**

All brands are working to remove single-use plastic packaging from their processes. The first step in this reduction strategy is to replace them with recycled plastic. The second step is to remove them (when possible) or replace them with paper or cardboard.

## Fashion sector

For **Damart**, polybags were replaced as soon as possible by recyclable cardboard packaging, glassine paper or kraft packaging. The remaining plastic polybags contain 30% recycled material. Deliveries of **Damart** and **Xandres** products without polybags for non-sensitive textile products were also made.

In order to ensure the recycling of plastics at the warehouse, the plastic bags of textile items received at the **Damart France warehouse** are collected before being sent to the store and sent to a recycling service provider.

Regarding the bags used for shipping parcels and customer returns, **Damart France** and **Damart Belgium** only use plastics made of 60% recycled material, of which 20% are post-consumer.

### Post-consumer, what is it?

*These are materials from products that have already been used for their original purpose and are then collected to be reintroduced into the production cycle.*

Xandres, **on the other hand**, exclusively uses cardboard boxes for its deliveries, in which the products are wrapped in tissue paper, recycled and from sustainably managed forests (FSC labelled).

## Home & Lifestyle sector

**Coopers of Stortford** has reduced the use of plastic for mail and packaging, with a noticeable reduction in plastic packaging.

- *Papers marketed*

Aware of the amount of paper waste generated by our commercial communications, we have launched projects to reduce the sending of letters and catalogues, in particular by better targeting customers. In France, all catalogues are printed on sustainable paper (PEFC certified) and without recycling disruptors, in partnership with Citéo for sorting and recycling. **Almadia** is also testing the electronic delivery of business documents to pharmacies, reducing systematic printing.

## KEY FIGURES

Tonnes of paper linked to the activity marketed in 2023: **11,202 tonnes** (excluding **3Pagen**), i.e. **a reduction of 2000 tonnes** compared to 2022/23 (excluding **3Pagen and Afibel**)

Within the Group, a specialized team is dedicated to the challenges surrounding the printing of commercial media (paper, POS, printing techniques, etc.) for several entities (**Almadia, Damart France, Damart Belgium, and Vitrine Magique**). Particular attention is paid to the environmental and social issues arising from this activity. Thus, the department controls the purchase of raw materials, which meet the strict standards of standards and promotes the choice of local production sites to limit transport.

The internalization of Point-of-Sale Advertising materials at **Damart France** contributes to environmental optimization by reducing waste and limiting material waste through production adjusted to the specific needs of stores. In addition, the centralization of processes and the development of internal tools allow for more efficient management of resources and a decrease in transportation, thus reducing the overall carbon footprint.

#### ➤ **Textile and electronic products**

In France, the **Damart** and **Almadia** brands have historically been members of the REP (Extended Producer Responsibility) Re-Fashion (Textiles, Household Linens, Shoes) sector. **Damart** is also one of the historical partners and, since June 2023, a member of the Board of Directors. Through their eco-contributions, these brands participate in the transformation of the textile sector towards the circular economy with innovation, eco-design, environmental labelling and the integration of recycled materials from used TLC as priorities.

The amount of TLC (Textile, Household Linen, Shoes) eco-contributions from the Group's French brands for the year 2023 amounts to approximately **€327,000**.

Eco-modulation criteria have been defined by Refashion according to the State's specifications, which allows us to benefit from financial incentives to promote our efforts in terms of more responsible production. Damart's accreditation to the GOTS label and durability tests have resulted in a bonus of around €45,000 for the 2023 calendar year.

The subsidiaries' brands also participate through their contribution to the recycling of electrical and electronic products, lamps, batteries and portable accumulators (Products subject to an EPR sector). The amount of eco-contributions for these products for the year 2023 amounts to approximately **€31,890**.

- *Product recyclability*

### **Fashion sector**

The recycling of materials is one of the major challenges of the textile industry. **Xandres** is investigating how to integrate the circular economy into its daily approach. The brand participates in and invests in innovative projects. **Xandres** is continuing the SCIRT closed-loop textile recycling project, with eighteen international partners. The aim is to create circular items from used clothing by collaborating with research institutes, recycling companies and other European brands. For **Xandres**, it was a pair of trousers that was studied. Initial lessons were learned about the complexity of material recycling, the design aspect for longevity and the technological developments of recycling. Other **Xandres** fabrics are currently being tested with the aim of making a 100% recycled product.

The Recylactyl® project deployed by Damart's R&D department, and described previously in the innovation section, contributes to the circularity of the model. Still in the testing phase, a change of scale would allow for almost total reuse of cutting scraps and would be a first step in starting the second phase of the project: the post-consumer recycling of Thermolactyl products.

### **Home & Lifestyle sector**

Aware of the impact generated by products sold at the end of their life, the **Coopers of Stortford** brand wants to offer its customers a spare parts service. Still at the project stage, after analysing the 100 main products requiring spare parts, the products identified as priorities are those with universal spare parts such as USB cables, remote controls, chargers, rechargeable batteries (which are part of the purchasing process). Customer feedback on these products must now be precisely analyzed in order to operationalize this service.

### **Secteur Healthcare**

The rental model of the **subsidiaries Almadia** and **Santéol**, which specialise in home care through the rental of large medical equipment, is distinguished by its many ecological and economic advantages. By choosing to rent rather than buy, users have access to high-quality medical equipment without the significant upfront costs, making it easier for more people to access home care.

This model promotes optimized use of resources. Indeed, the equipment is used by several patients during its lifetime, which significantly reduces the demand for new production. This reuse not only reduces the consumption of raw materials but also the energy required to manufacture new equipment, thus contributing to the reduction of greenhouse gas emissions.

In addition, by committing to rigorous maintenance and regular maintenance of the equipment, it extends its life and guarantees its efficiency and safety for successive users. At the end of its life cycle, equipment is recovered and managed responsibly.

This cycle of renting, multi-use and recycling fits perfectly into a sustainable circular economy, reducing waste and maximizing the use of existing resources. The virtuous and responsible approach contributes to the reduction of the ecological footprint while offering effective and accessible solutions for home care.

- *Recovery of unsold and defective items*

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

*Unsold rate by brand excluding **Xandres** and the HealthCare sector (in the 2023-2024 financial year)*

Damart				3Pagen	COOPERS OF STRATFORD
FR	BE	UK	DSB	0,13%	18,51%
10,28%	3,8%	8,78%	8,73%		

**In the Fashion sector**, overstocks are either resold via internal channels (stores, parcel inserts, web bargains) or externally (discounters, discounts, etc.) or given to associations. On the other hand, **Damart** organized factory sales open to customers in France and Belgium, allowing the sale of more than 31,000 pieces.

At **Damart**, with regard to second-choice products (with minor conformity defects) following quality controls and customer feedback, partnerships with associations are established. As a result, more than 53,000 pieces were redistributed to associations in France and the United Kingdom during the year.

**Home & Lifestyle brands** do not suffer from "fashion" phenomena, and can therefore offer customers products developed previously. No product is destroyed: unsold products are reused by discounters or destocked during flea markets.

- *Used Product Collection*

**Fashion sector**

In April 2024, **Xandres** launched the "Xandres preloved" project. Its principle is simple: highlighting second-hand, customers can bring back **Xandres** clothes that they no longer wear. Within the limit of 5 items, customers can make an appointment in the stores in Bruges or Ghent to drop off their clothes, once a month. Thanks to this gesture, customers give a second life to their clothes and leave with a voucher valid on the new collection in store and on the website.

## KEY FIGURES

Number of products collected via the **Xandres** preloved program <sup>6</sup>: **858 pieces**

Number of products resold through the **Xandres** preloved program: **207 pieces**

### Home and Lifestyle sector

At **Coopers of Stortford**, the launch of a *Recycling Hub* for customers and employees is currently being considered. This would make it possible to collect used products left by customers in the store and to make them aware of the impact of their end of life.

### Secteur Healthcare

Almadia and Santéol **technicians** take back equipment from the patient. After recovery, they ensure that the products received comply with the standards in force. This is why they are stored and handled carefully in a decontamination airlock, and are subject to regular checks before being offered back to other customers.

In addition, a reflection is underway on the second life of medical equipment that customers want to get rid of. The aim is to guide them in order to recycle the products thanks to the collecting body.

## SITE WASTE MANAGEMENT

As part of the MESQ (Environmental, Social and Quality Management) project of the **DMT** factory in Tunisia, described previously in the manufacturing processes, all the plant's staff were made aware of waste management this year. This training is an internal requirement at **DMT**, scheduled at specific intervals: every two years and for each new recruit.

Storage areas have also been defined, leading to an update of the waste monitoring and management procedure (choice of recycler, inventory, removal contract), which has already been finalised and communicated to the services concerned. A list of waste by storage area identifying the different types of industrial waste existing at **DMT** was drafted, making it a topic of environmental awareness of waste management.

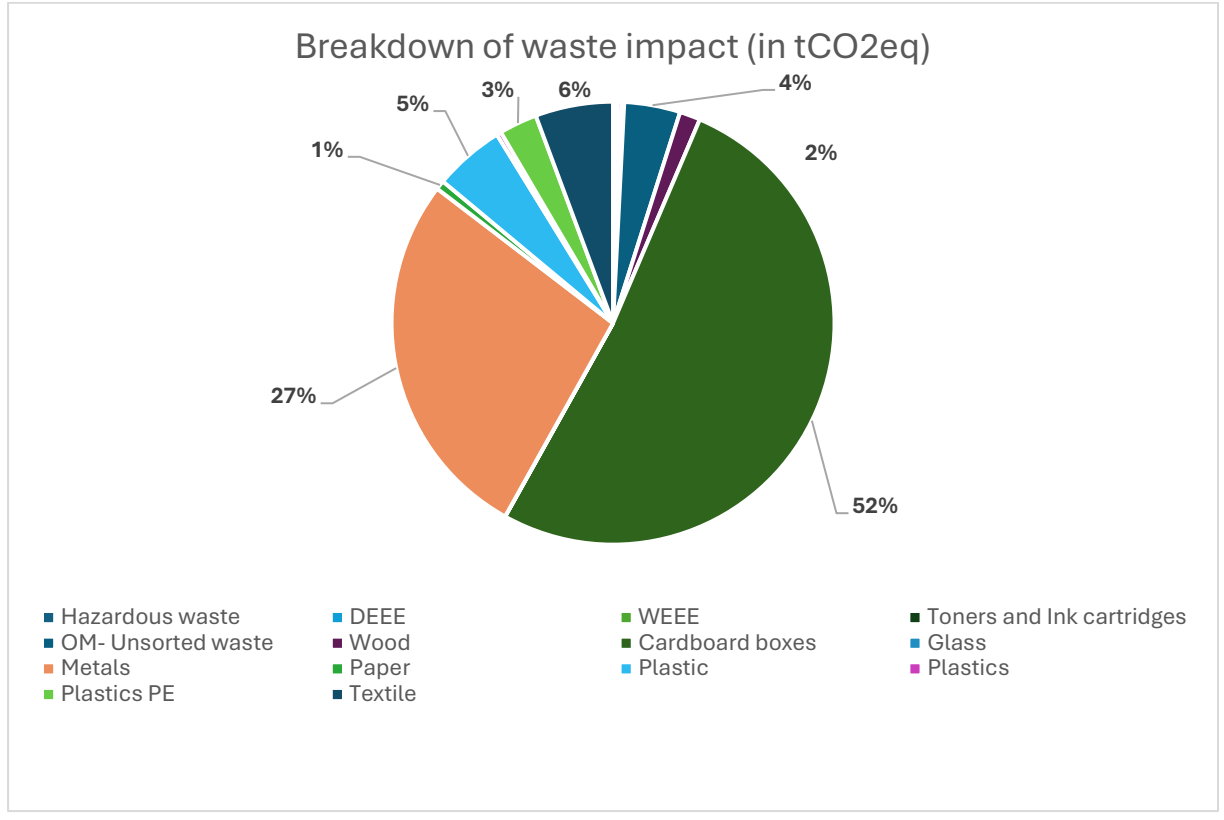
## FOCUS ON CARBON FOOTPRINT

Carbon emissions generated by operational waste represent part of the Group's overall carbon footprint. This category includes several subcategories: hazardous waste, recycled non-

<sup>6</sup> Between April and June 2024

hazardous waste, non-hazardous waste, regular incinerated waste, and regular recycled waste. Together, these sub-categories total **1,788 tonnes of CO2 equivalent**.

Compared to overall emissions, emissions in this category account for about **0.50% of total emissions**. While this may seem like a modest percentage, it highlights the importance of waste management in the company's sustainability strategy.



The nature of our activity (the distribution of products and the provision of services) generates waste, mainly plastic, paper and cardboard. Hazardous waste represents a very marginal volume.

**KEY FIGURES**

Hazardous and non-hazardous waste generation at Group level (tonnes ): **2,655 tonnes** <sup>7</sup>

All the subsidiaries have set up a waste sorting system in the offices and warehouses in order to reduce it and optimise the collection of recoverable waste (cardboard, paper, glass, aluminium, others, etc.).

<sup>7</sup> Some data are estimated due to the recent integration of a subsidiary into the DPEF perimeter, and/or the distribution of a premises between several companies, managed by an external service provider or by the subsidiary itself.



Awareness-raising initiatives have also been put in place:

- At **Almadia**, a collection and sorting system for batteries has been set up. This is an opportunity to raise awareness among the teams of the importance of citizen eco-gestures, but it also allows the After-Sales Service (SAV) teams to recycle the batteries of the products returned.
- Volunteer employees of the **DSB, Almadia** and **Damartex Corporate** entities participated in the 6th edition of the World Clean Up Day in September 2023 for the third consecutive year, in collaboration with other companies in Roubaix. During this day, 150 kg of waste were collected, including about a thousand cigarette butts. It is a universal, unifying, educational, concrete and friendly event that raises awareness about waste and raises awareness through action.

***World Clean up Day, what is it?***

*World Cleanup Day is a global initiative mobilizing citizens to clean up abandoned waste that pollutes the environment: [Home - World Cleanup Day - France](#)*

- On the other side of the Channel, thousands of people celebrated the 250th anniversary of the Bingley Locks. Damart **UK**, located near the canal, supported the event by opening its company restaurant to the public for the first time. **Damart UK** teams collected 15 bags of rubbish along the canal and in the city centre.

#### **4. Raising awareness among our customers about more responsible consumption**

**Damartex** attaches great importance to its communication strategy towards its customers. On a daily basis, employees are in direct contact (stores, call centres) with nearly 40,000 customers, so many opportunities to raise their awareness of responsible consumption.

CSR communication is visible on the commercial websites of the **Damart** and **Xandres** brands, with pages dedicated to the approach and commitments of each brand.

### **CONSUMER INFORMATION**

On the French market as part of the Anti-Waste Law for a Circular Economy,

- Sorting instructions (packaging and product) are displayed directly on the product or on the packaging in order to simplify the sorting gesture for consumers, through the TRIMAN signage and information specifying the adjoining sorting methods.
- A quality and environmental characteristics sheet is available for each product. This sheet contains several pieces of information about the product and the packaging:
  - % recycled content (if any)
  - Microfiber rejection
  - The presence of hazardous substances
  - The countries of the main processing stages (tailoring, dyeing or printing and weaving or knitting).

Regarding the packaging, the percentage of recycled material must be specified if it contains any.

The Communication teams have also been made aware of the updating of standards on environmental claims by the Group's legal department through the production of an internal guide.

Finally, the products of **the Damart** brands resulting from our responsible products policy are stamped with a logo on the site and in the catalogues to allow the customer to identify them.

### **USAGE**

The use and maintenance of our products are energy and chemical intensive. It is the second largest item of emissions in our carbon footprint.

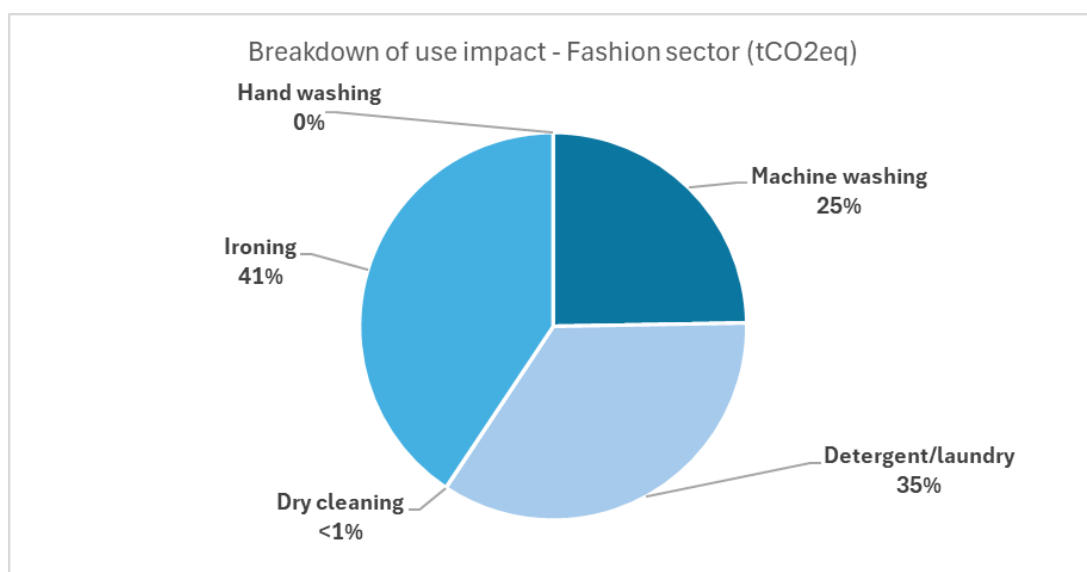
We try to make our customers aware of this issue by offering them:

- For **the Fashion part**: wash clothes at a lower temperature and dry them flat to avoid ironing and tumble drying, limit detergent consumption, extend shelf life...
- For **the Home & Lifestyle part**: to choose from the offer of less energy-consuming products (low-energy LED bulbs, batteries, or products that run on solar energy).

**FOCUS ON CARBON FOOTPRINT**

**Fashion sector**

The use of the products represents about **30,000 tons of CO<sub>2</sub>eq**, or **11% of the Fashion division's emissions**. It is the second main item of emissions after purchases. These emissions are mainly related to the maintenance of products:



The emissions linked to the use of the products are directly linked to the electricity mix of our customers' countries. Ironing is the number one source of emissions, followed by laundry, machine washing, and finally dry cleaning (hand washing has zero emissions).

The Group's fashion brands have a page on their website dedicated to advice on how to wash, dry, iron or repair their clothes or on how best to store them in their wardrobe. At **Xandres**, additional information has been added about wool and cashmere, as they are more fragile fibers that require special care. An awareness-raising campaign on laundry care was also carried out with some customers in the Ghent store.

**Damart** conducted a customer study in 2022 with consumers in the 3 countries: France, the United Kingdom and Belgium in order to better understand the care habits of their clothes. After an analysis of the results, this year the "Smart Care by Damart" maintenance guide was

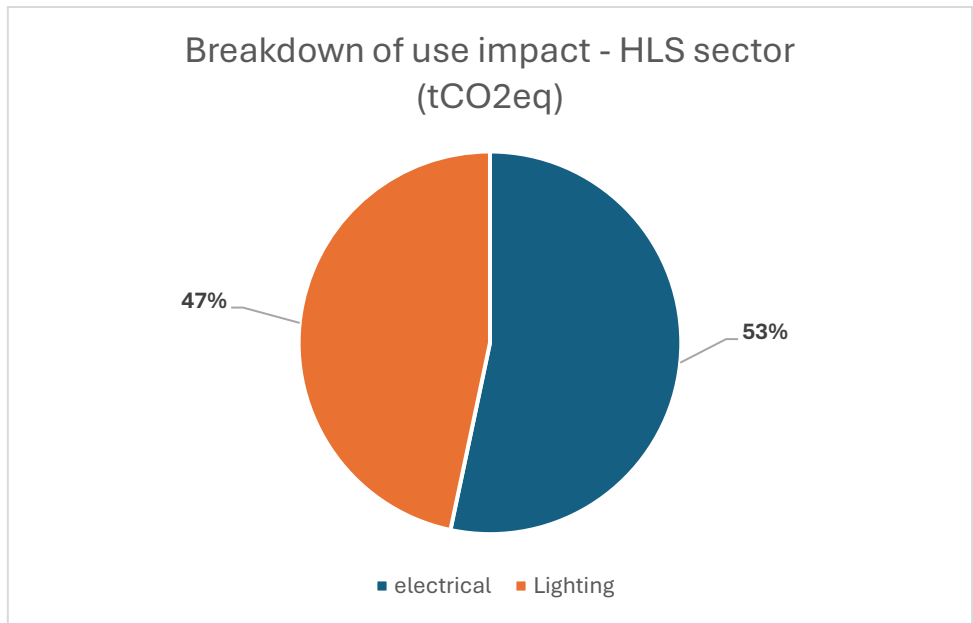
developed and put online in the "Damart Engages" tab of the sales website. It is full of simple, concrete gestures that are easy to implement at home to better care for clothes.

In addition, **Damart** has launched a campaign to modify the washing instructions with a recommendation of 30°C. In addition to limiting energy consumption, this change in the care method of clothing extends its life.

**FOCUS ON CARBON FOOTPRINT**

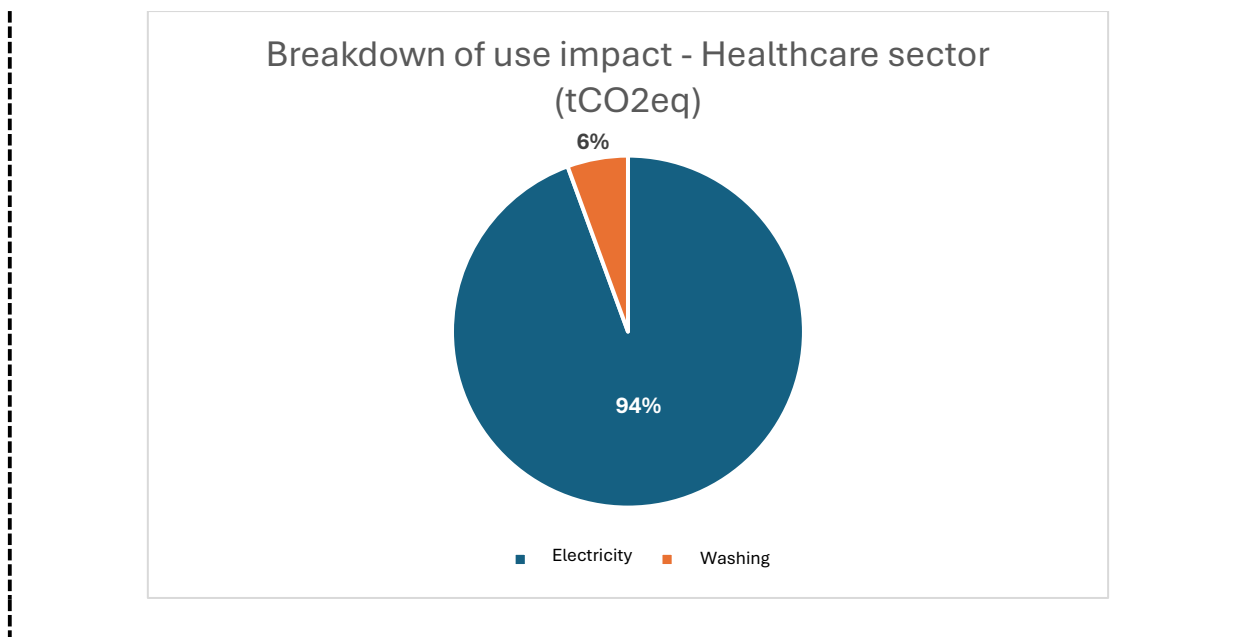
**Home & Lifestyle sector**

The use of the products represents approximately **201 tonnes of CO2eq**, or **0.34% of the emissions of the Home & Lifestyle division**. These emissions are broken down by electrical and lighting products:



**HealthCare Sector**

The use of the products represents about **1160 tons of CO2eq**, or **11% of the emissions of the HealthCare division**. This is the third largest emission item in the sector.



The **Healthcare sector**, due to its specificity focused on the rental of medical equipment, generates the majority of its emissions through the consumption of electricity by patients. This is due to the continuous and often intensive energy consumption of medical machines. To reduce these emissions, it could be considered to improve the energy efficiency of the equipment used.

## REPAIR

### Fashion sector

As part of the Anti-Waste Law for a Circular Economy, the public authorities have asked the textile industry, through its eco-organization Re-fashion, to encourage repair by creating a fund that allows a bonus to be awarded to consumers who use a repair service. As a partner and member, **Damart** fulfils its obligation and is a contributor to this fund.

With this in mind, the brand has launched the "Smart repair" project and has signed a partnership with the "Les Réparables" workshop. Via a QR code, the customer reaches a platform that allows him to send his item to be repaired to our partner, describing according to a digital nomenclature the type of repair to be carried out among the 7 proposed. Finally, the bonus granted by Re-fashion will be deducted from the cost of the repair charged to customers. Events promoting this new repair service are planned in our stores.

In Belgium, for several years, **Xandres** has implemented a "*Repair & Care*" program to help customers extend the life of their clothes. The brand is committed to repairing clothes on an unlimited basis regardless of the date of purchase. **777 parts** were repaired in the 2023-2024 financial year.

In this context, last November and for the third year in a row, to promote repairs, Green Friday was held at **Xandres**. A unifying moment around environmental issues for the teams, and against the tide of Black Friday, **Xandres** closed its stores and website in order to fight against overconsumption. Instead, all employees, their families and some residents of the care centre in the city of Destelbergen were able to come and repair clothes left by customers, take part in workshops on the consumer, upcycling fabric scraps, wool, belts and watch documentaries on the theme of overproduction. Almost 500 parts were repaired on the same day.

### Home and Lifestyle sector

At **Coopers of Stortford**, a project to offer spare parts for some of the electrical or electronic products on offer has been launched. Around 100 products requiring spare parts were assessed as priorities (as they have universal parts such as cables). In order to meet customer expectations, feedback on these products is currently being analyzed.

### Secteur Healthcare

The **Almadia** warehouse has taken a valuable initiative by implementing a reconditioning program for rented products, aimed at extending the life of machinery and medical equipment. This project has made it possible to revitalize and reuse the equipment, thus guaranteeing better performance and greater longevity of the products. By adopting this sustainable approach, **Almadia** not only optimizes its resources, but also demonstrates its commitment to the circular economy and environmental preservation.

## BIODIVERSITY

Aware of the impact of the manufacture and marketing of products throughout their life cycle on the degradation of biodiversity, the teams are trained to better understand this subject. In this context, **Damartex** has joined the Ecological Transition Group organized by the United Nations Global Compact - Réseau France (within the Steering Committee) which offers members support on environmental issues, such as climate and biodiversity. Event content is offered, promoting the testimony of companies through feedback: webinar, workshop, round table, intervention and presentation of experts and tools.

**Damartex** and its subsidiaries are committed to sustainability and the reduction of their environmental impact through targeted and measurable actions. Each subsidiary, in alignment with the *Dare.Act.Impact 2026* strategic plan, has identified *Must Win Battles* that promote the use of low-impact materials, plastic reduction and eco-responsible design.

## Part 2 - Promoting the company's human capital

### **Our ambitions:**

- Improving the quality of life at work and working conditions
- Supporting the development of men
- Promoting diversity, equal opportunities and inclusion
- Developing the employer brand

**By 2026: 100%** of employees committed to CSR

Human capital is the cornerstone of our organizations' current and future success. As such, maintaining commitment, ensuring that talent is in the right place, making them grow to retain them, ensuring working conditions conducive to creativity, initiative, innovation, bringing more meaning and promoting the development of each person are all crucial issues. Promoting the company's human capital also involves promoting diversity and equality. Embodying curiosity, inclusion and diversity are vectors of added value.

The **Damartex Group** has **2,523** full-time equivalent employees present at 30 June 2024 (3,307 last year), **89.73% of whom are on permanent contracts**.

After 5 years of profound changes, the **Damartex Group** is inaugurating a new chapter in its transformation by launching a new strategic plan entitled "*Dare. Act. Impact. 2026*". Built on 4 complementary axes, it will guide all the teams' decision-making over the next few years to enable the Group to perform and innovate in the omnichannel customer/patient experience.

Beyond our client-patient vision, our responsibility and our desire are to build a meaningful work environment for each of our employees, who are key players in change. The Shared Leadership axis included in this strategic plan is above all a plan to invest in our first capital, people, to make **Damartex** a profitable, sustainable Group, useful to our society and our planet, committed "On Seniors' Side" both pioneer and benchmark of the Silver Economy.

Our strategy:

- Live the employee experience to the fullest
- Strengthen our decentralized organization built on the autonomy of subsidiaries
- Recruit on attitude and train on aptitude
- Nurturing our culture to go further: speaking the truth, knowing how to manage paradoxes, navigating uncertainty

This approach involves the women and men who make it successful on a daily basis. This year, we have defined and transcribed the priorities of Shared Leadership into local roadmaps:

- Strengthening the ability to speak the truth to create healthy debates in interactions
- Transparency in internal communication to enable informed decision-making as close as possible to the field
- The development of the leadership of the new generations.



An HR community bringing together all the Human Resources professionals of the different subsidiaries was created last year. The objectives are multiple: to train, share good practices, and above all to create a real sense of belonging.

During this period, the emphasis was placed on strengthening the HR Board (composed of the HR directors of all entities) to build together the roadmap that meets the business challenges and translate it into HR challenges:

- Strengthening HR fundamentals
- Supporting organizational and cultural transformation
- Leadership Development
- Commitment to Quality of Life at Work.

In addition to these discussions, the new HR and transformation roadmap has been drafted. Based on our purpose, 4 dimensions of value creation have been identified: our employees, our customers-patients, our shareholders and our planet and society.

Thus, a human relationship close to our employees and their daily challenges is advocated.

## 1. Improving the quality of life at work and working conditions

Cultivating quality of life at work and "working together" means preserving the health and safety of employees, collectively building better working conditions and promoting a better work-life balance.

### WELL-BEING AT WORK

The issue of well-being at work is a *sine qua non* condition for the Group's future, a guarantee of performance, competitiveness, but also attractiveness to new talent. For the Group, this is based on a voluntary and sustainable approach by the company, a key factor in the success of today and tomorrow.

**Damartex** relies on "the QWL wheel" and its 9 sources to evaluate the quality of life at work: the meaning, the content of the missions, the role, the recognition, the atmosphere, the working conditions, the processes, the work-life balance and the sense of belonging.

For **Damart**, the key to sustainable success is motivated, competent teams that are good at their job and their company. At **Damart France** and **DSB**, the "Damart attitude" is a source of well-being and contributes to giving meaning, to promoting teamwork, agility, innovation and listening to others and to oneself. It is all the more important in the context of the transformation of the company and the multiplication of cross-functional projects.

Unifying activities took place within the Group's various brands to strengthen the quality of life at work, particularly in terms of pride, belonging, sharing, better knowledge of each other and conviviality:

- This year, the Damartex Human Weeks took place over three consecutive months so that the activities offered were accessible to as many employees as possible. The main objective of the Damartex Human Weeks is to bring people together around common values within the **Damartex Group**, thus promoting the quality of life at work. Each entity has appropriated the format, with actions encouraging people to adopt inspiring postures, web conferences, sports challenges, plays, etc. So many events that have made it possible to cultivate curiosity, inclusion, to bring teams together around solidarity projects while offering moments of pleasure and sharing.
- A highlight of these Human Weeks was a morning dedicated to sharing the customer experience. Named "I say customers", **Damart France** employees were able to come and meet customers in stores and/or remotely in customer relations. The objective of this meeting was twofold:
  - Better understand the professions and their problems,
  - Listening to customers, to better understand their needs and desires.

- In September 2023, **Damart** celebrated its 70th anniversary. For this occasion, a Convention took place in a hybrid format, a large-scale event bringing together more than 600 employees from France, Belgium, Tunisia and the United Kingdom. Attendees had the opportunity to learn about the latest innovations in corporate strategy, while gaining insight into future directions. This event also celebrated the brand's journey, looking back at the highlights of its history and highlighting the values that have contributed to its success.
- On the occasion of International Women's Day, **Almadia** decided to use its social media platforms to celebrate the contributions of its employees and encourage a culture of equality and inclusion. Damart UK, on the other hand, has opted for a more internal approach: communications have been organised within the company to spread inspiring messages and stories from influential women.
- Finally, open days were organized with the families of **Almadia's** employees. This helps to strengthen the bonds between employees and the company, creating a sense of community and trust.

## TELECOMMUTING

Even though teleworking was already practiced in some of the Group's companies before the lockdown, the Covid-19 crisis has accelerated the evolution of this mode of operation. Teleworking has become widespread and collaborative digital work, *in particular via* the Teams tool, is being generalised throughout the Group. **Damart France, Damart Belgium**, Damart's support services entity (**DSB**), **3Pagen** and **Damartex Corporate** have set up an agreement on teleworking on the basis of a rhythm of 8 to 12 days per month. The spirit of the agreement is to promote flexibility and therefore well-being at work, while remaining based on voluntariness. The essential thing is communication with one's manager: the notions of trust, exchange and autonomy were strongly emphasized.

For **Damart France**, the agreement was the subject of an amendment in 2023, concerning the possibility of teleworking, which was increased from 8 days to 12 days per month for employees at the end of their careers and employees in the event of pregnancy.

## HEALTH AND SAFETY

The **Damartex Group** is committed to scrupulously applying the regulations in force relating to the health and safety of people at work, at the head office, store, factory and warehouse levels, regardless of the country. In addition, the accident rate is low.

### KEY FIGURES

Group absenteeism rate: **7.15%** (7.4% in 2022-2023)

Group absenteeism rate due to occupational diseases and accidents at work (excluding maternity and paternity leave): **6.5%** (6.6% in 2022-2023)

Number of accidents resulting in a work stoppage (greater than or equal to 1 day) at Group level: **34** (48 in 2022-2023)

Occupational Injury Frequency Rate (Group): **7.31%** (9.08% in 2022-2023)

Severity rate of occupational accidents (Group): **0.22%** (0.26% in 2022-2023)

At **Damart France**, the members of the CSE and the members of the CSSCT are informed and consulted, in the most transparent way possible, and on a regular basis via health commissions. Thanks to these regular meetings, all employees are now covered by the provident agreement, which covers the risks of long illness, disability or reduced work. Each store also has an occupational doctor depending on its location and an occupational doctor is available for the Roubaix and Hem establishments. A nurse and a social worker are also available for all employees. The operation is identical for **Damart Belgium** with the PPT (Committee for Prevention and Protection at Work).

The various entities also regularly train Occupational First Aid (SST).

#### **Occupational First Aid Rescuer, Kesoko?**

*A Occupational First Aid (SST) is a member of staff who volunteers or is designated to provide assistance in the event of an accident. He or she is subject to training to maintain and update skills.*

Currently, for Damart's French sites, there are **61 SSTs**. During the period, an initial 2-day training in first aid took place: 9 people were trained and have the necessary equipment to develop first aid. A training session to maintain and update skills has also taken place for 7 OHS employees, and another session is planned in the coming months for 10 OHS.

In France, each work accident is analysed as soon as it occurs by the head of department and a member of the CSSCT. These accidents are then studied at the quarterly meetings of the CSSCT, in the presence of the occupational physician, in order to define the measures to be put in place to prevent them from happening again. The analysis of these accidents also makes it possible to regularly update the Single Risk Assessment Document. A psychosocial risks commission has been created and its members trained.

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

- The improvement of working conditions, particularly in terms of the ergonomics of workstations, the adequacy and maintenance of equipment and tools, the cleanliness of the workshops, and the hygiene of the premises.
- The organization of first aid training. The OHS policy is posted and communicated to plant employees.
- The organisation of fire prevention and firefighting training
- The organisation of weekly awareness sessions: "Safety Wednesday" in the form of videos relating to safety in the workplace (handling, falls, staff responsibility, etc.)
- Presentation of the safety policy during the integration of each new hire
- The organisation of periodic medical examinations every fortnight (Occupational Doctor)

## SOCIAL DIALOGUE

Social dialogue is also an essential component of the quality of life at work, as it demonstrates the capacity for expression, attention and action in relation to the quality of labour relations and working conditions.

The Group's companies are constantly seeking to maintain a close relationship with the social partners. Any opportunity to exchange with them is used in a way that maintains the link and discussion.

Frequent exchange and working meetings are organised with the various committees of each French entity concerned: the CSE, the Health, Safety and Working Conditions Commission, with elected representatives and representatives of trade unions. In Belgium, elected employee representatives meet with the Works Council once a month and the Occupational Safety Committee and the Trade Union Delegation on a recurring basis.

The Group has also negotiated and signed various collective agreements over the past year (teleworking agreement, phased retirement agreement, salary agreement, right to disconnect, etc.).

### KEY FIGURES

Number of meetings with employee representatives over the period at Group level: **155**

Share of employees benefiting from collective agreements: **35.47%<sup>8</sup>**

<sup>8</sup> Excluding Santéol

The Healthcare division was particularly impacted by the underperformance of catalogue sales of Almadia's home care accessories . Faced with this challenge, the Group is studying the project to stop the division's catalogue sales and a reorganisation of the brand to focus its investments on the pharmacy and service point channels. This process is accompanied by an essential social dialogue, given the delicate context imposed by the strategic choices necessary to ensure the sustainability of the company. The restructuring aims to optimize operations and strengthen the company's position in the market, while seeking to reconcile the interests of employees and those of the company in this critical phase.

## 2. Supporting the personal development of employees

By prioritizing the autonomy and fulfillment of its employees, **Damartex**'s ambition is to gain in performance and agility every day. This involves the development of women and men, the ability to detect talent and help them grow by supporting them and allowing them to evolve in a secure environment, where it is good to work and where everyone has a chance. Moreover, the average number of years of seniority this year is **9 years**, which demonstrates a real attachment of employees to the various brands.

The personal development of employees through skills consists of assimilating know-how and interpersonal skills that are useful in the professional context. It is a question of acquiring, updating or perfecting the knowledge necessary for the successful performance of one's current or future position and thus developing one's employability.

Skills development can be done *through* different means, *via* professional training, but also through conferences, coaching, professional forums, trade fairs, formal or informal events as well as in all situations conducive to the exchange of good practices.

By investing in skills development, in part through its skills plan, the Group increases its efficiency and the motivation of its employees. Thus, by focusing on the individual, the collective is positively impacted. Skills development concerns all individuals, regardless of their level of initial training and their position.

This year, the focus was in particular on the Executive Leadership program, the objective of which is to accelerate the Group's transformation through leadership development among the company's top 80. It is an engaging 10-month program that allows cohorts of 10 people to work on themselves as a leader.

### RECRUITMENT POLICY

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

As the major human challenge is to put the employee in a position of success in his or her mission, in his or her team and in the company, the recruitment process is focused on knowing the candidates, their background, their skills and the environment in which they thrive.

### KEY FIGURES

Group turnover rate (in FTEs): <b>10.5%</b> <sup>9</sup> (2022-2023: 12%)
Number of permanent employee recruitments during the 2023-2024 financial year for the Group (in FTEs): <b>168 employees</b> (2022-2023: 312)
Number of employees who have benefited from internal mobility at Group level: <b>42</b>

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

All employees have access to all the offers of the Group's French brands. The international mobility procedure and a mobility charter have been drafted.

In a context of a tight labour market and recruitment difficulties, some entities such as **Almadia**, **Damart France** and **DSB** have set up co-optation systems for employees in the form of internal challenges for certain professions.

### RECRUITMENT OF WORK-STUDY STUDENTS

As part of its policy of integrating young people, the Group is developing work-study programmes and young people's access to a first professional experience. In addition to the reception and integration programmes in place in all the entities, **Damartex** wishes to support young people throughout their work-study year by making them responsible by giving them concrete missions.

Since 2021, the Group has been welcoming work-study students training in all types of professions (communication, responsible purchasing, legal, IT, marketing/merchandising, CSR, etc.). Over the period, **a total of 1,128 internship and work-study agreements** were signed for all Group entities.

At **Damart France**, **DSB** and **Damartex Corporate**, the work-study students are gathered on arrival for a presentation of the company and the delivery of administrative documents. This meeting also consists of introducing yourself and getting to know each other, thus allowing you to forge links with other work-study students from the different sites or departments and create a real community.

At the end of the work-study contracts, the HR team of **Damart France** and **Damartex Corporate** sets up a complete program to help work-study students enter the job market. This program includes CV writing workshops, mock interviews, a Professional Personality Test (PfPI), and job search advice. These initiatives allow work-study students to hone their skills, prepare for interviews, better understand their strengths and weaknesses, and receive recommendations on growth areas and the use of professional networks.

In addition, the **Damart France** store in Lille welcomes young interns from the 2nd Chance School in Lille every year, aiming to help young people who have dropped out of school to define

<sup>9</sup> Excluding Afibel resale



a professional project. This year, the team welcomed three interns who wanted to discover the profession of advisor/salesperson, even though they had no prior training. The recruitment process is simple: the store works closely with a trainer from the school who sends the CVs of potential candidates. The interns then go through an interview and follow a classic recruitment process. During the internship, they are guided according to a job description from France Travail, with a final evaluation to determine their successes and areas for improvement. The goal is to provide a successful work experience that is rewarding for the interns and rewarding for the store team.

## INTEGRATION POLICY

Integration remains a very important area of work for the Group, and several actions aimed at strengthening the integration process have been put in place.

Each newcomer benefits from an integration course to help them get to know how their new company works (distribution of the "Welcome pack", site visits, integration e-course with videos for everyone or specific to the business, etc.). Once the integration is complete, points of surprise are made with the HR department to benefit from an external eye.

At **Damart France**, individualized and personalized support for 5 to 6 months to take charge of the teams for new managers (internal development or external recruitment) is led by an HR referent. The objective of this course, initiated in 2020, is threefold:

- Know your team (individual background, missions, motivations, wishes)
- Identify the objectives and priorities for the managed service and define its roadmap in relation to the challenges of the department and the team
- Establish your managerial rituals (collective and individual)

The referents transmit the OROC (Observe, Reorient, Organise, Comfort) methodology to the new managers and share best practices. 50 **Damart France** managers have been supported since the launch of this process.

## TRAINING POLICY

The acquisition and development of skills are essential levers for the success of the Group's transformation strategy. Thus, each subsidiary offers everyone all the keys to their success by providing a set of training systems to develop their skills. To provide these trainings, each brand calls on external service providers, experts in their field, but also on internal trainers who are keen to share their know-how. The pedagogical approaches are diversified: face-to-face, distance or e-learning, in short format or for a whole day... Always by promoting experimentation and the sharing of experiences and skills.

Individual training needs are identified during annual interviews with managers.

- At **Damart France, DSB and Damartex Corporate**, the Development Interview (EDD) and the Professional Interview (EP) are transparent, employee-oriented annual interviews. They make it possible to summarise the preferred or difficult moments during the year, to position oneself in relation to the roles of the "Damart Attitude" (inspiring, cooperator and entrepreneur) and to identify the training needs to support the employee's professional career. This year, HR teams released a survey on these annual campaigns. 64 responses were obtained, providing valuable and diverse feedback on strengths and areas for improvement. For the 2024 campaign, several new features have been integrated:
  - A simplification of the interview grid has been implemented, making the process more fluid for employees and managers,
  - A practical guide has been developed to make it easier to understand the objectives of the interview, encourage constructive discussions and ensure that the interviews are conducted instinctively.
- At **Damart Belgium**, it is the EDP (Progress Interview) that makes it possible to identify training needs, at the request of the employee or manager, whether they are internal training (called "informal" training such as the integration course) or external training ("formal" training).

#### KEY FIGURES

- Share of employees who attended an individual interview over the period (in FTEs): **52%**
- Number of employees who had an annual individual appraisal interview over the period (in FTEs): **1,322 employees**

At the same time, the needs for collective training within a department or cross-functional within a brand or the group are defined with the Directors. Skills development plans are then built, budgets arbitrated and validated. The validated actions are communicated to employees at the beginning of the year. The training is then provided.

A "training book" is also available to **Damart** employees on the DSB, VAD and Store boxes. This standard catalogue can be adapted to any type of profession and brings together all the information relating to the continuous development of skills. Among collective and cross-functional training, the priority is to support the development of the skills necessary for the transformation: soft skills in connection with the "Damart Attitude" and training to support the evolution of professions, tools and organizations (office automation, languages, etc.).

**Damart France and DSB employees** have permanent access to the e-learning platform, Eureka. The latter offers 36 online training modules<sup>10</sup>, concise and targeted content. The objective of the platform is to continuously develop employees' skills around corporate culture, products, innovation, finance, or the GDPR (General Data Protection Regulation). **Coopers of Stortford** employees now also have access to an online training tool with various modules.

<sup>10</sup> Not counted in the training rate.

**Damart France launched the "Damart & Me" training course last year .** This training is aimed at teams in direct contact with customers: stores and contact centers. It includes a complete course for the teams. The desire is to move from sales advice to a solid relationship. This involves adapting communication to the customer's needs, using emotional intelligence, among other things. A team of in-house trainers was deployed this year for the stores, which were able to facilitate 92% of these training sessions.

It should be noted that at **Damartex UK** , mandatory training is provided to each new arrival.

KEY FIGURES
Access rate to Group training: <b>52%</b>
Number of employees with at least one training course at Group level: <b>2032</b>
Training budget at Group level: <b>€1,019,000</b>
Average number of hours of training per Group employee: <b>7 hours</b>
Share of employees who have received cybersecurity training: <b>8%</b>

### 3. Promoting diversity, equal opportunities and inclusion

Promoting equal opportunities means ensuring that all individuals have the same opportunities, the same opportunities for social development, regardless of their social origin, gender, parents' financial means, place of residence, ethnic origin, sexual orientation or any disability.

With the determination to go beyond the observation of simple equality of rights, equal opportunities consists mainly of supporting and accompanying populations that are subject to discrimination in order to guarantee them fair treatment.

#### DIVERSITY AND EQUAL OPPORTUNITIES

The **Damartex Group** is very committed to valuing personalities to develop a culture of openness and seeks to make differences an opportunity *through* an egalitarian policy (diversity, parity of treatment, employability of seniors, etc.).

#### KEY FIGURES

Share of seniors in the Group workforce (55 years and over): **25.42%** (21.49% in 2022-2023)

Average age of the squad Group: **43 years old** (43 years old in 2022-2023)

The **Damartex Group** has signed the charter of commitment to promote the place of +50 years in the company. This unprecedented act is broken down into 10 key commitments around Recruitment, Training, Job Retention, Career Development Support, Well-being at Work, Retirement and Awareness of Age-Related Stereotypes. In this context, **Damart France** has signed an amendment to the phased retirement agreement for all employees in distance selling and in-store.

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

- Develop and promote a culture of diversity and equality, equity, integrity and dignity.
- Prevent all forms of discrimination and address these issues in a consistent, timely and effective manner.
- Raise awareness and train colleagues on equality and diversity.

At **Damart France**, an e-learning module in favor of diversity has been made available to managers who are recruiting. With this in mind, what matters is the adequacy between what the candidate is looking for and the company, to build a sustainable path. As for the specific actions in favour of seniors, they mainly concern job retention, thanks to an active policy of job adaptation, and continuous improvement of working conditions.

To encourage the development of collective and individual skills, in line with the evolution of the professions, the development of each individual, and in recognition of the contribution, each year employee reviews are held at **Damart France** and **DSB**. They bring together managers from the same department, who together share and enrich the evaluation of the skills of each member of the team and decide on the individual increases validated as part of the Mandatory Annual Negotiations. This collective process makes it possible to make coherent decisions, based on objective criteria: the level of the employee's contribution to the company's expectations, on the business skills and soft skills dimensions, the level of his or her remuneration in line with his or her level of responsibility and its developments in recent years. These criteria allow for fairness in individual increase decisions.

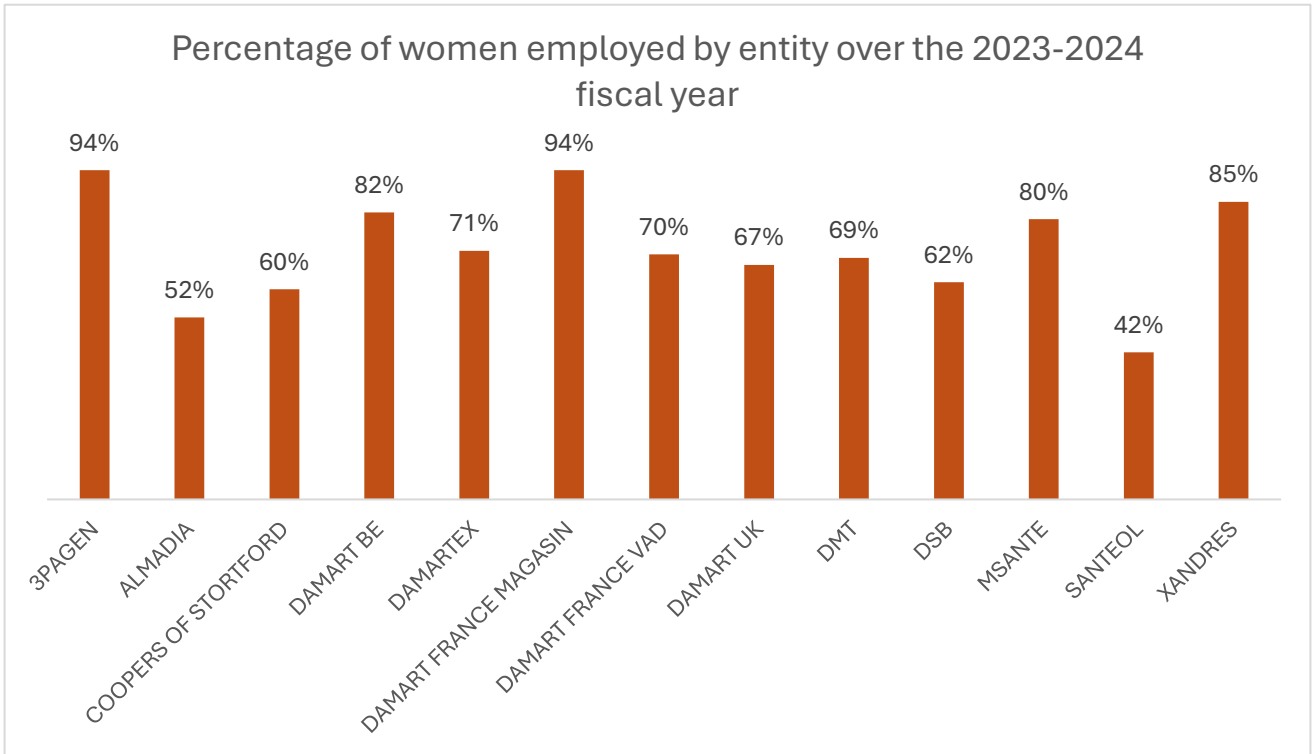
The Damartex Group's **workforce** is characterized by a very strong female presence since women represent **73.45%** of employees as of 30/06/24 (compared to 73.4% in 2022-2023). Each level of the organization reflects this regularity of female proportion.

**KEY FIGURES**

Among the executive workforce, the share of women is **64.37%** (65.51% in 2022-2023)

Share of women on the Executive Committee: **57%**

Share of women on the Supervisory Board: **33%**



## GENDER EQUALITY INDEX

In France, companies with more than 50 employees are required to publish an index, which measures the efforts of French companies in terms of equal pay for women and men. **Damart Belgium** has also chosen to calculate it voluntarily.

The Equality Index was designed as a simple and practical tool to advance equality between women and men within the company. It measures the pay and situation gaps between women and men. It highlights the points of progress on which to act when these disparities are unjustified. The criteria are as follows: pay gap, difference in the distribution of individual increase rates, distribution of promotions, difference in increases on return from maternity leave, parity among the highest salaries.

KEY FIGURES
<b>Damart France: 94%</b> (2022-2023: 90%)
<b>DSB : 84%</b> (2022-2023: 69%)
<b>Damart Belgium: 94%</b> (2022-2023: 93%)
<b>Almadia : 91%</b> (2022-2023: 88%)

Last year, an action plan was drafted at **DSB** to identify and implement measures to promote gender equality (in terms of hiring, mobility, training, remuneration, etc.) and to monitor the relevant associated indicators. The positive evolution of the index is the result.

According to an INSEE study, for the same volume of hours, women had a salary 15.5% lower than men in 2021. This year, to increase transparency on this data, almost all of our subsidiaries have calculated this gap:

- Gender pay gap (in FTEs) at Group level: **11.61%**<sup>11</sup>

## PERSONS WITH DISABILITIES

Disability is no exception to the Group's support approach, even if there is still a lot of progress to be made in this direction.

- In France and Belgium, adjustments to working hours and positions for workers with disabilities have been put in place to encourage them to remain in employment (modulation of working hours, etc.) at the request of the employee.

<sup>11</sup> Excluding **Damart Belgium** and **Damartex Corporate**

- Awareness-raising activities on the RQTH (Recognition as a Disabled Worker) were also carried out this year at **DSB**, including explanations and a testimonial to raise awareness of this status.

#### KEY FIGURES

Share of employees with disabilities (in French subsidiaries): **7%** (8% in 2022-2023)

Share of employees with disabilities at Group level: **5%** (5% in 2022-2023)

Thus, internal policies related to quality of life at work, the development of women and men associated with diversity and inclusion are components that also serve the development of **Damartex's employer brand** by building employee loyalty.

## 4. Developing the employer brand

The employer brand is partly based on the commitment of employees, since they are ambassadors and share their dedication to the company or their missions with their colleagues.

### EMPLOYEE CSR COMMITMENT

There are two types of employee engagement: commitment to one's work and mission and commitment to one's company.

To nurture employees' **commitment to their work and mission**, communities have been deployed at Group level and in all subsidiaries:

- An internal Climate Superhero Community was launched in 2022. They are dedicated and invested in their mission to deploy the various climate action plans. This team is made up of 7 committed and volunteer actors from all over the Group. Thus, their mission is as follows: *"To raise awareness among all employees, alert our top management and share best practices between subsidiaries to implement our action plans in order to achieve our climate objectives"*.
- This year, the team of **Santéol CSR** ambassadors was created, aligned with the other entities of the **Damartex group**. **Damartex Corporate's** CSR team will now work with CSR relays in different agencies focusing on information sharing, data collection and awareness-raising. Environmental priorities such as energy management, waste sorting and travel management are being considered.
- At **Almadia**, a CSR reference team has been formed to identify priority CSR issues, develop the CSR roadmap and communicate with the teams. The team meets monthly and, since last year, has carried out various awareness-raising actions, such as the collection of electronic products for recycling, solidarity actions and initiatives to improve the quality of life at work, such as the creation of a library.
- At **Damart**, the IMPACT program brings together experts from different professions around 3 pillars: reducing the carbon footprint, developing a more responsible collection, and zero single-use plastic.
- At **Xandres**, **3Pagen** and **Coopers of Stortford**, ambassadors from different departments have been identified to work on each brand's own CSR roadmap.

Then, to develop the **commitment to the company**, we roll out the Change Our World program to everyone. This includes internal communication, the organization of events and forums for the exchange of best practices between the Group's brands, and training and awareness-raising for employees.



## INTERNAL COMMUNICATION

In order to help each employee take ownership of our challenges and ambitions to generate engagement, internal communication tools are available.

The Group's CSR department reviewed its communication strategy for this year. Thus, an *internal "Press Review"* is distributed approximately every quarter in all subsidiaries. Employees from all entities were able to discover many projects and events around the Change Our World policy. "Special episodes" on events were also shared this year.

Each entity is committed to communicating frequently with its employees *via* various tools:

### ➤ Internal newsletters

Damart's **internal communication department** is committed to communicating in a cross-functional way on the various projects carried out internally over the past 2 years in Belgium, France and England. Thanks to a monthly newsletter, the "Damart news", employees can follow the news in store or within the headquarters and the various departments. A "good CSR practice" is also shared.

### ➤ Intranet interfaces

Damart UK **employees** also have access to the "Damart Hub": an intranet in which employees share all kinds of information and best practices. A "Change Our World" section is dedicated to CSR actions.

On the DSB Box, a "Change Our World" insert allows all **DSB** and **Damartex** employees to find materials to develop their knowledge on the subject.

### ➤ Meetings (face-to-face and remote)

At **Damart**, monthly information meetings, called "Damart Breakfast", bring together the French and Belgian sites to strengthen collaboration and exchanges. Several topics such as the encouraging results of the policy in favor of less impactful products or caregiving within the framework of the Foundation were discussed this year.

At **Coopers of Stortford** and **3Pagen**, the monthly HLS Breakfast is also an opportunity to regularly present CSR developments, such as the new eco-product rules.

### ➤ Videos on the screens

Each site (headquarters, warehouse) is equipped with screens on which communications can be broadcast simultaneously. This great tool makes it possible to reach employees on site, and also those who do not have a computer (in store or in the warehouse).

An initiative to deliver educational content *via* podcast channels took place over several months, highlighting six varied channels on themes such as environmental sustainability, energy transition, or the circular economy, to offer diverse perspectives on climate challenges.

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

## CSR EVENTS FOR EMPLOYEES

In addition to communication tools, internal events are offered to employees throughout the year.

### ➤ Employee awareness

Following the "Climate Summit" in September 2022, **Damartex** organized its "Earth Day" on November 30, 2023, with the theme: *"Integrating **Damartex** into sustainability, or how to combine planet and profitability?"*. The morning, by videoconference, brought together all the Group's brands to discuss CSR regulatory changes, commitments to reduce the carbon footprint, and included a presentation by Déborah Pardo on how to stay positive in the face of the environmental crisis to become an actor of change in companies.

The afternoon saw local activities organized by the teams:

- In Roubaix, Déborah Pardo offered workshops at **Damart** focused on creativity to take action.
- In Villeneuve d'Ascq, **Almadia** has collected more than 50 kg of electronic devices for recycling via the company EcoHem.
- In Belgium, **Xandres** raised awareness of sustainable consumption among its customers and employees with lectures and practical tips, and published its second sustainability report.
- In England, **Coopers of Stortford** organised several awareness-raising activities: the Green Impact Challenge, where employees carried out responsible actions (mobility, zero plastic, zero waste, energy savings, vegetarian meals), an informative and fun Earth

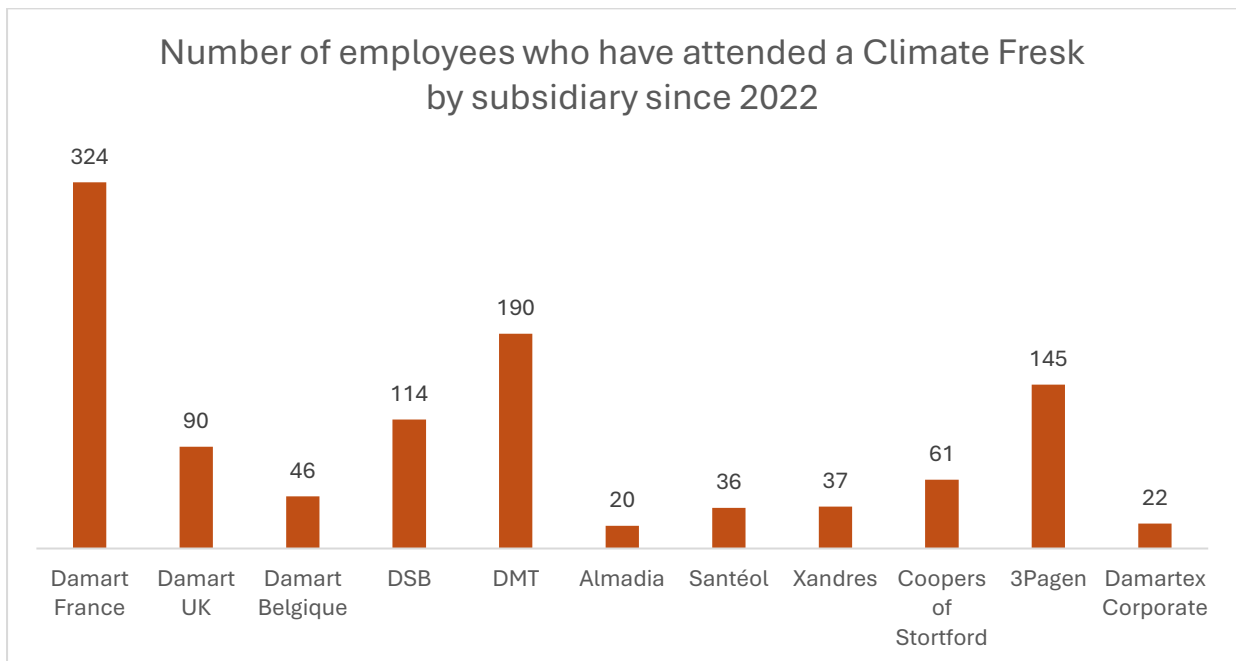
Day quiz on the climate, and a Climate Fresco to raise awareness of environmental issues.

- At **Damart UK**, events were held with sustainable local businesses, focusing on mobility, food, energy, waste reduction, and second life of products.
- At **DMT**, November 30 was dedicated to the climate, preceded by a quiz on responsible activities with about 70% of answers correct. On the same day, a course with two activities around the interaction between the services and waste sorting was organised.

These initiatives show **Damartex's** commitment to sustainability and cross-team collaboration.

### DEVELOPING CSR EXPERTISE

Since the 2022-2023 financial year, internal facilitators have been trained in the animation of the Climate Fresk to raise awareness among employees in the various subsidiaries. Since the beginning of the initiative, at Group level, **1085 employees** have attended a workshop at the end of June 2024:



***Climate fresco, what is it?***

*This 3-hour workshop, participatory, fun and collaborative, is based on 42 cards to take ownership of the challenge of climate change and write action plans to reduce the carbon footprint of your activity.*

This year, in line with the exchange sessions at the end of the workshop and the proposals for actions that we can take in our business model, various departments of **Damart France** and **DSB** were consulted, from upstream transport to IT, energy and stores. These exchanges made it possible to compare the ideas put forward with the projects in progress and the experiments already carried out, thus ensuring a first step in the promotion of the ideas and skills acquired during the Climate Fresk.

In addition, to raise employees' awareness of environmental issues, a series of educational content on the greenhouse gas balance and on the types of energy and their carbon impact were published this year on Damart France's e-learning platform.

## REPUTATION AND IDENTITY OF THE GROUP

Multiple initiatives aimed at raising awareness of the identity of the **Damartex Group** and its brands have been deployed. External communication on the LinkedIn network (on the **Damartex Group** page) supported the highlighting of brand news, the publication of internal events, and the sharing of posts by the Foundation and the Seniors' Observatory.

On the occasion of Damart's 70th anniversary, a specific tab has been created and deployed on the various commercial websites (France, Belgium and the United Kingdom) The history of **Damart**, videos, capsule collections, and portraits of employees are available. These portraits, created by the Communication teams, honour the employees and their pride in belonging to the brand.

### ➤ Interventions at external events

This year, **Damartex** teams participated in several external events to promote CSR:

- September 2023: Hosting of the second meeting of the Cercle Hauts-de-France, focused on decarbonization, as part of our membership of the United Nations Global Compact.
- December 2023: Organization of a conference on energy sources for the members of the Cercle Hauts-de-France of the United Nations Global Compact.
- April 2024: Meeting of the Cercle Hauts-de-France of the United Nations Global Compact to discuss the sustainable transformation of the value chain.
- June 2024: Participation in an evening dedicated to the CSRD at KPMG and presentation of our human rights action plan, developed with the Human Rights Accelerator of the United Nations Global Compact.

These events allowed for fruitful exchanges and recognized our ongoing CSR efforts.

*After exploring initiatives to improve the well-being at work and the development of our employees, it is essential to address an equally crucial dimension of our CSR approach: ethics. Indeed, our commitments to responsible procurement and governance are part of a global logic of transparency and accountability, aimed at ensuring that our actions meet the highest standards.*

## Part 3 - Ethical Business Conduct

### **Our ambitions:**

- Engaging our partners in our ethical purchasing policy
- Treating and Considering Our Clients
- Facilitating relations with our ecosystem

**By 2026:** 80% of our products come from socially audited factories

### **1. Engaging our partners in our ethical purchasing policy**

The **Damartex Group** subcontracts the production of the majority of the products it sells. In this context, a significant part of the Group's societal impact depends on the activities of its suppliers and subcontractors. The risks associated with procurement are significant due to the distance between the headquarters of the entities and the factories (quality, non-compliance, violation of human rights). This could harm the Group's stakeholders and reputation and thus compromise its ability to attract new investors, employees and customers.

To improve the control of its supply chain, **Damartex** has implemented an ethical purchasing policy since 2013. Working in a close, long-term partnership 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 women and men who have made its products are treated with respect and that this production tries to limit the negative impact on the environment.

This ethical purchasing policy is based on 3 pillars: the Responsible Purchasing Charter, the involvement of buyers and social audits.

**Damartex** is a member of the Initiative for Compliance and Sustainability (ICS), **Damart** since 2017, **3Pagen** since 2019, **Xandres** and **Coopers of Stortford** since 2021, for the performance of social and environmental audits. The 70 member brands of this initiative act together to sustainably improve human conditions at work and to support suppliers responsibly, in order to make them actors in their progress process. In 2023, more than 4100 social audits were carried out under the ICS standard.

#### **ICS, what is it?**

*The Initiative for Compliance and Sustainability (ICS) is a multi-sectoral initiative dedicated to improving working conditions and respect for the environment in global supply chains. ICS is therefore made up of 70 retail brands in the textile, footwear, electronics, food and furniture sectors.*

*ICS allows member companies to collaborate with shared tools, and to pool audits via a common database, and thus help reduce the number of simultaneous audits in factories. CSI members share their knowledge and best practices. [Initiative for Compliance and Sustainability | ICS](#)*

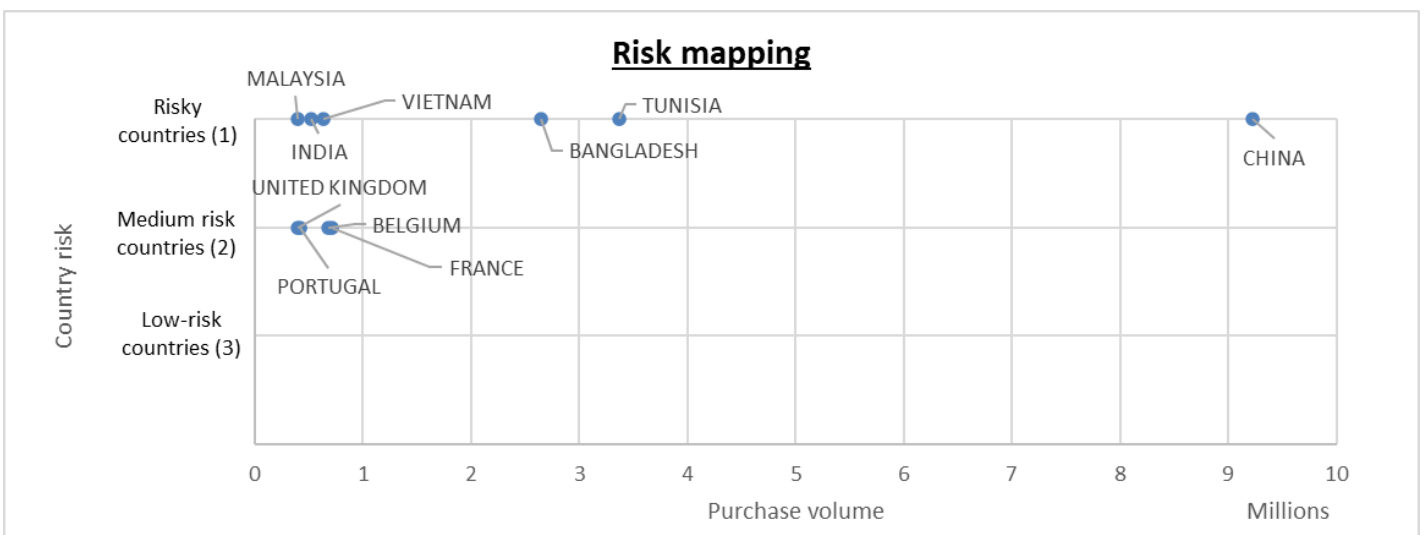
In addition, anticipating legislative progress, the **Damartex Group** has begun to work on an initial vigilance plan. This will mainly consist of a mapping of non-financial risks and the measures backed by these risks to protect against them as best as possible. This plan will thus make it possible to better identify the main impacts of our activities on people and the environment.

### RISK MAPPING AND ASSESSMENT

All of the Group's brands pay great attention to the selection of suppliers for each type of product. The **Damartex Group** works with **1046** Tier 1 suppliers (active during the reporting period). Some suppliers are common to several brands, but the mismatch between the information systems of each brand does not make it possible to identify duplicates. The rate of new suppliers to the Group's brand network was **7.17%**.

The mapping of non-financial risks highlights the risks that our activities pose to women and men in terms of human rights and fundamental freedoms, health and safety, and the environment. A risk study at Group level is carried out based on the country risk mapping resulting from the ICS analysis updated annually. These structural risks are linked to the national contexts of the production sites: public institutions, ratification of ILO conventions, social and democratic tradition, stability of the law, quality of infrastructure, CSR maturity, etc. The countries in which ICS members produce are evaluated according to data from major international institutions, cross-referenced with the consolidated results of ICS audits, and making it possible to produce an advanced risk matrix. The latter allows us to classify our sourcing countries according to 3 levels of risk: risky, moderately risky, and low-risk.

Our mapping cross-references ICS's country risk mapping and the volume of purchases made by **Damartex** in these countries. We have chosen a scope of 10 countries: India, the United Kingdom, Tunisia, China, Vietnam, Turkey, Portugal, Bangladesh, France and Malaysia. These represent the sourcing areas with the highest volumes.



➤ **General analysis by country**

China thus presents the greatest risk, both in terms of occurrence and impact. This is explained by the large volume of purchases made by the group in this country, where the country risk (according to the ICS map) is high. It is also the country where the most audits are carried out under the ICS standard (more than 1400 in 2023). The main risks concern the lack of transparency, in particular undeclared subcontracting, but also the massive use of excessive working hours.

Secondly, even if the textile sector has evolved a lot in Bangladesh, it presents many risks. Today, the textile industry is considered to be rather safe, with a strengthening of CSR policies and an increase in the minimum wage. However, as in China, regularly exceeding legal working hours leads to many safety and health risks.

Tunisia is a particularly important sourcing country for **Damartex**. The Group has its own **Damart Manufacturing Tunisia** (DMT) factory there. The textile sector is now booming (12% increase in the value of exports in 2023) and the risks are significant on the health and safety side.

Finally, even if the volume of purchases is lower, Malaysia, Vietnam, Turkey, Portugal and India expose risks to be monitored. These are countries at risk, particularly in terms of working hours and health and safety.

*Share of purchase volumes by risk level\**

	<b>DAMART</b>	<b>XANDERS</b>	<b>3PAGEN</b>	<b>COOPERS OF STORTFORD</b>	<b>ALMADIA</b>	<b>SANTEOL</b>
Risky Countries (1)	87,13%	12,74%	48,38%	94,94%	90,43%	7,88%
Medium-risk countries (2)	11,74%	71,3%	15,42%	3,83%	25,52%	86,11%
Low-risk countries (3)	1,03%	2,1%	28,62%	0%	6.04%	6,61%
Countries without ICS rating**	0,1%	13,86%	7,57%	1,17%	3,04%	0%

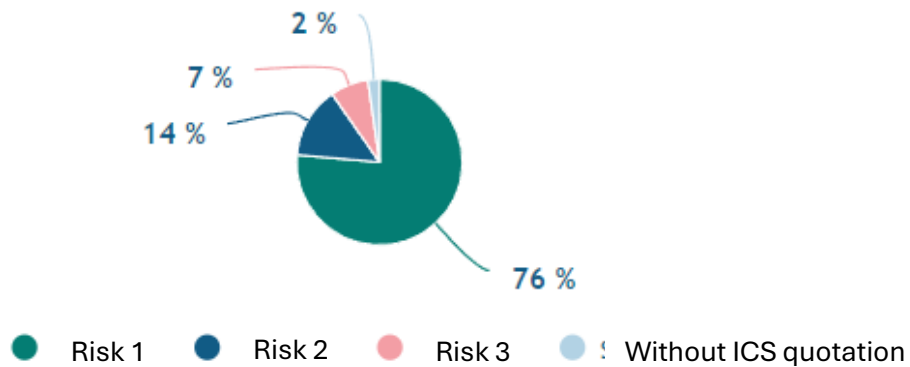
\*In the absence of the use of traceability software at the factory, purchasing volumes are consolidated at the level of the supplier's country.

\*\*Hong Kong and Taiwan



The graph below shows the breakdown of Group-wide purchasing volumes by risk level:

Breakdown of Group purchasing volumes by risk level



### RISK MITIGATION ACTIONS

Many actions are carried out to protect against these risks (excluding the Home Care Services division: **Almadia, Santéol, Msanté**).

As part of its membership of the United Nations Global Compact, the Group's CSR team participated in the Business & Human Rights (BHR) accelerator program. The objective of this program is to show companies around the world the best practices they can adopt in terms of human rights and to build an action plan by involving all stakeholders related to these issues.

#### United Nations Global Compact, kesako?:

*This initiative, launched in 2000, aims to encourage companies of all sizes and in all sectors to adopt, on a voluntary basis, a framework of commitment based on ten principles in order to respect human rights, labour rights, environmental law and to act in the fight against corruption.*

*[UN Global Compact - Network France | From principles to action](#)*

#### ➤ Risks to human rights and fundamental freedoms

It was in 2013 that **Damartex**, via its subsidiary **Damart**, launched its ethical purchasing policy. This policy has been extended to the Group's other brands in recent years.

The Group's various purchasing items are now included in this approach: products from the collections, well-being and home objects, promotional items. By integrating them into the scope, we want to centralize and harmonize all product purchases, in order to integrate social impacts into all our transactions.

- *Responsible Purchasing Charter*

The Group has written its responsible purchasing charter based on the ten principles of the United Nations Global Compact. Within the charter, the Group requires its suppliers to ensure the effective application of fundamental workers' rights in compliance with International Labour Organization (ILO) conventions and national legislation. The charter is annexed to the general terms and conditions of purchase of the various brands. The target signature rate is 100%.

*Signature rate of the responsible purchasing charter*

DAMART	DMT	XANDERS	3Pagen	COOPERS OF STORTFORD	ALMADIA
55,97% (2022-2023 : 59%*)	100% (2022-2023 : 56%)	100% (2022-2023 : 92%)	100% (2022-2023 : 29%)	100% (2022-2023 : 24%)	47,94%

\*Damart 2022-2023 scope excluding suppliers of promotional items

- *Buyer Involvement*

The Purchasing teams are particularly involved in this ethical purchasing policy. They have been trained to visit factories from a CSR perspective. Indeed, they have a checklist with the points of vigilance to check during the workshop tour. The **Damart** brand made **37 visits** during the 2023-2024 financial year. In addition, buyers have CSR criteria to take into account in the selection of their suppliers. For example, suppliers must submit a valid audit, or undergo an audit (see Appendix 1), before joining the supplier fleet.

- *Participation in the Initiative for Compliance and Sustainability (ICS)*

This multi-sectoral initiative allows members to collaborate, work together, share knowledge and best practices and pool audits and common tools.

In this context, **Damartex** has been involved in numerous working groups: environment, human rights, audit follow-up, etc. In particular, it allows the updating of social and environmental tools, the accreditation of new audit firms and the discussion of alert mechanisms.

On the other hand, the ICS team produces a watch that is communicated to the members of the initiative. Media alerts are sent regularly in the event of incidents in factories (fires, accidents, strikes, etc.). These are transmitted to the purchasing teams, who are in direct contact with suppliers and factories. In addition to this shared monitoring between members, this initiative makes it possible to agree on common positions on geopolitical issues. For example, after the coup in Myanmar, the ICS issued a statement on behalf of the full membership recommending withdrawal from the country. Another illustration of the 2023-2024 financial year, in times of natural disasters, the accommodation provided by factories as humanitarian aid for workers and their families should not be included in the scope of the ICS audit.

- *Social audit campaign*

Social audits are conducted as part of ICS membership. They first of all allow us to evaluate our suppliers on an ethical level, but also to support them in a continuous improvement process,

with the implementation of Corrective Action Plans (CAP). Suppliers' factories are evaluated on 8 chapters: Management System, Transparency and Traceability; Forced labor; Discrimination; Disciplinary practices, harassment and abuse; Freedom of association and alert mechanism; Working hours and overtime; Remuneration and benefits; Health and safety.

This year, we have taken a step back from the management of social audit campaigns within the Group. Thanks to quantitative analyses from the ICS database and qualitative analyses through meetings with the Group's stakeholders, the audit campaign process was updated. The frequency of audits and their costs, the occurrence of denied access to the factory and the risk of corruption, and the communication of ICS audit results were analysed in relation to their impact on the level of compliance of the factories. This approach allows us to rethink our actions while taking into account our impact on its stakeholders.

To identify the main priority factories to be audited annually, an initial prioritization work is carried out. Risk mapping makes it possible to identify the riskiest countries (page 75), in order to carry out audits mainly in these countries. The table below presents an analysis of the volumes of purchases from audited factories according to the structural country risks identified by the ICS.

*Share of audited purchase volumes by risk level\**

	<b>DAMART</b>	<b>XANDERS</b>	<b>3PAGEN</b>	<b>COOPERS OF STORTFORD</b>
Risky Countries (1)	93,36%	8,46%	94,99%	100%
Medium-risk countries (2)	6,36%	91,54%	0,59%	-
Low-risk countries (3)	0,28%	-	-	-
Countries without ICS rating**	-	-	4,41%	-

\*In the absence of the use of traceability software at the factory, purchasing volumes are consolidated at the level of the supplier's country.

\*\*Hong Kong and Taiwan

The Group has set itself the ambition of reaching 80% of products placed on the market from socially audited factories by 2026.

To this end, the framework has been defined as follows:

- Type of audits and certifications accepted: Social audits under the ICS and Amfori BSCI (Business Social Compliance Initiative) standards, SA 8000 certification (once obtained) and OEKO-TEX Step (levels 2 and 3).
- Rule for accepting an audit: semi or unannounced, carried out less than 2 years ago (less than 1 year if it is a BSCI C), with a corrective action plan in progress if it is not A or B.

Following the reflections on the management of our audit campaigns, two documents have been formalized, in the form of processes, to guide the Purchasing teams and suppliers to appropriate the Group's rules concerning the follow-up of audits and the cases of attempted corruption that may occur during an audit, based on ICS guidelines. They are available in the appendix.

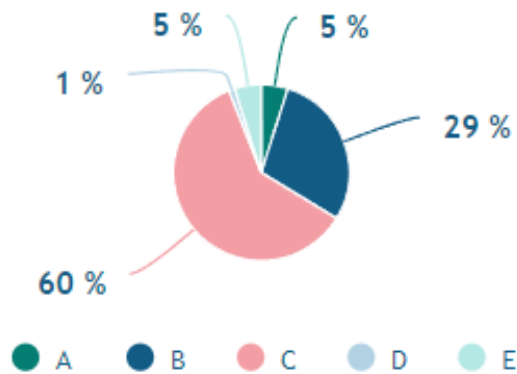
The social audit under the ICS standard follows a methodology common to all brands and is always at the initiative of the brand and not the supplier in order to guarantee objectivity.

Summary of social audits according to subsidiaries

	DAMART	XANDERS	3Pagen	COOPERS OF STORTFORD
Valid audits <sup>12</sup>	133 audits (including 115 ICS)	10 audits (including 6 ICS)	16 audits (including 5 ICS)	10 audits (including 24 ICS)
Audits carried out over the period	69 audits (including 52 ICS)	9 audits (including 5 ICS)	14 audits (including 3 ICS)	95 audits (including 13 ICS)
Purchasing volume from audited factories	75.58% (75.5% in 2022-2023)	30.75% (28.3% in 2022-2023)	18.33% (20.9% in 2022-2023)	47.72% (8.55% in 2022-2023)

The level of compliance of the audited factories over the period remained high, with an average of **92.42%** for all the Group's brands. The analysis below by letter gives a more precise overview of the distribution of the notes of the audits carried out over the period for the Group:

Breakdown of the scores of the social audits carried out over the period



Thus, the majority of the audits carried out over the period were 60% intermediate non-compliance (C). Nearly 30% of the audits are at a minor level of non-compliance (B).

- *The organization of the supply of the DMT (**Damart** Manufacturing Tunisia) plant*

The factory reports a duty to set an example: a social audit was carried out in 2023, with an excellent level of compliance (97%) and a minor degree of non-compliance (B). The audit highlighted the progress made (5% improvement in the score).

The DMT factory also has subcontractors and suppliers, in Tunisia but also in other countries:

Summary of DMT purchase volumes

<sup>12</sup> According to ICS, BSCI, SA8000 or OekoTex STeP standards, semi or unannounced, less than 2 years old (1 year for BSCI rated C).

	In Tunisia	Outside Tunisia
<b>Breakdown of purchasing volumes and external services (in €)</b>	31%	69%
<b>Volume of purchases from audited factories (in €)</b>	78%	22%

In addition, it should be noted that all garment manufacturers in Tunisia are visited by internal teams.

- *Transparency and traceability projects*

In order to protect yourself from serious damage, it is necessary to have a good knowledge of your entire value chain, rank 1 as well as the lower ranks.

*Type of suppliers*

	DAMART*	XANDERS
<b>Intermediate</b>	29%	-
<b>Importers</b>	6%	-
<b>Trading</b>	3%	21%
<b>Factories Live</b>	15%	79%
<b>Brands</b>	3%	-
<b>Suppliers of promotional items, well-being &amp; home</b>	44%	-

With this in mind to increase traceability and transparency, subcontracting must be declared in the Factory Profile. This form contains the most important information about the supplier. Thus, the latter must mention its various subcontractors.

Damart's own plant, DMT, began a traceability project at the plant in 2021 as part of ICS membership. This Sustainability Map made it possible to identify the plant's subcontractors (dyers, spinners, etc.). Today, **39 suppliers** are attached to this map.

- *Supplier skills development schemes*

As part of its relationships with its suppliers and production units, **Xandres** uses a "Score Card". This document allows suppliers to be rated according to delivery, quality, production execution, and social and environmental certifications/audits held by the supplier who obtains a rating: Bronze, Silver and Gold according to each of these categories. Thus, this document provides a detailed knowledge of **Xandres'** supplier fleet, spread over several years.

In addition, at the end of 2023, the **Damart** teams updated the supplier framework contract, and the **DMT** teams updated the purchasing contract. Thus, the CSR part has been expanded by the addition of legal elements relating to the AGEC law and environmental elements such as the conditions of manufacture and transport of raw materials, water and energy consumption and

the management of waste entering or resulting from the manufacture of its products. In connection with this update, another tool has been updated: the **Damart** Roadbook, which is available on the supplier relationship management portal. A very useful tool for raising awareness and informing suppliers of **Damart's** practices and their evolution, it consists of several chapters, including one of them devoted to **Damart's ethical and environmental requirements**.

- *EcoVadis Certification Process*

**Xandres** has achieved its goal of moving from an EcoVadis bronze medal in 2021, to a silver medal in 2023. The EcoVadis assessment methodology is recognized, and is based on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and the ISO 26000 standard.

In 2023, **Xandres'** score was greater than or equal to 80% of all companies assessed by EcoVadis. Some key elements that **the Xandres teams** have been working on and that have contributed to this increase are the implementation of the Code of Ethics and the risk assessment carried out to improve the purchasing policy.

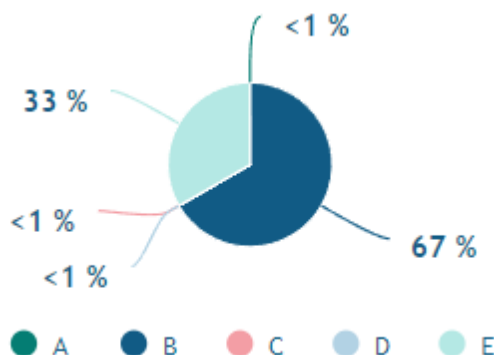
➤ **Environmental risks**

- *Collecting environmental audits*

Today, **Damartex** does not conduct environmental audits of its suppliers. However, membership of the ICS allows you to collect them, made by other brands. Over the year 2023-2024, **3 factories** producing for **Damartex** have been environmentally audited. These audits make it possible to control various parameters, such as environmental management, energy and transport, greenhouse gas emissions, water use, discharges, waste management, hazardous or potentially hazardous substances. As the main environmental risks are rather upstream in the value chain, **Damart** ensures that the dyeing plants of the DMT production plant are well audited.

The overall compliance rate of these environmental audits is **68.3%**. The letter obtained for the audit provides a more accurate view of the compliance levels of the factories:

Distribution of environmental audit scores collected over the period



- *Supporting suppliers towards more sustainable practices*

In addition to the environmental audits shared between ICS members, a new tool called "Environmental Checklist" has been tested on some **Damartex** plants. It collects quantitative data on the water and energy consumption of factories. To date, **25 factories** working for **Damart** have been invited to complete this environmental checklist with a response rate of **54.12%**. The brand sends targeted invitations, in agreement with the purchasing and CSR teams, but the approach is entirely voluntary and declarative on the part of the factories. This is part of a partnership between brands and suppliers.

In addition, a questionnaire has been drawn up for GOTS and GRS certified suppliers, previously mentioned in the first part of the report. This first step of data collection is necessary to analyze and support these plants in reducing their discharges.

➤ **The specificity of the subsidiaries in Great Britain**

The two English subsidiaries **Damart UK** and **Coopers of Stortford** adhere to the Modern Slavery Act. The MSA Statement 2023 is published on the corporate website of **Damart UK** and **Coopers of Stortford**, including all the actions of supplier awareness, training and internal communication.

At **Damart UK**, all employees are made aware of these issues by signing the Code of Conduct (with a chapter dedicated to "Modern Slavery"), the explanation of the Transparency process and the "Modern Slavery" chapter, and an E-learning module.

Finally, raising suppliers' awareness of these issues involves signing the Responsible Purchasing Charter (with a chapter dedicated to Modern Slavery). This specific regulation has made it possible to develop a voluntary approach to promotional items at **Damart UK**. Indeed, a common purchasing center for the collection has been set up at the level of **Damart**, but the business units (United Kingdom, France and Belgium) buy their promotional items and practical life products individually. Thus, **Damart UK** has been involved in a voluntary approach with regard to practical life purchases and promotional items. The suppliers with the highest risk must attest to a valid social audit. A manual has also been produced to highlight the social compliance rules for suppliers. Today, **98%** of local purchasing suppliers have signed the responsible purchasing charter.

## 2. Treating and Considering Our Clients

### DATA PRIVACY

Since 2018, the Group has implemented actions to comply with the GDPR in all subsidiaries. Since January 2021, a decentralized governance of data protection has been put in place: DPOs (Data Protection Officers) have been appointed in each subsidiary. Their role is to advise and provide independent oversight on the implementation of privacy regulations. Once a quarter on average, all the DPOs meet during Privacy Meetings to make progress in consultation on Group projects.

In 2023, an IT solution (Smart Global Governance) was acquired to enable the digitization of documents (Processing Register, Incident Register).

The responsibilities of each DPO are as follows:

- Inform and advise the data controller, who is the decision-maker of the purposes and data processing (often the corporate officer or the company director of each BU),
- Disseminate the culture and rules of data protection to all those who process personal data within the BU,
- To monitor compliance with regulations related to personal data,
- To serve as a point of contact for requests from natural persons regarding the processing of their personal data and the exercise of their rights,
- Cooperate with data protection authorities and act as a point of contact for questions relating to processing,
- Ensure the documentation of data processing.

#### ➤ Internal Audit Plan

In accordance with the audit plan validated by the Group Audit Committee, internal audits on compliance with the GDPR are carried out in all Group entities:

- 2022/2023 financial year: **3 audits carried out,**
- Fiscal year 2023/2024: **2 audits carried out.**

The results of these audits and the associated action plans are presented to the Group Audit Committee. Regular reporting to the Group Risk Committee is also in place to ensure the positive progress of the subsidiaries' compliance.



## ➤ Customer/patient communication

The personal data policy of each entity in France is available on request in store, on the internet or by phone. In this way, every customer can be informed about the processing of his or her personal data and his or her rights arising from it.

Within the Healthcare division, the entities of the **Damartex Group** are required to process medical data relating to patients. Compliance actions have been put in place to take into account the sensitive nature of this data and the additional requirements provided for by the regulations.

## EMPOWER OUR MARKETING PRACTICES

The **Damartex Group** values positive, clear and helpful communication. The Group's brands improve their image through various channels such as marketing, press relations and social networks.

### Fashion sector

The Group's brands prioritize trust through transparency, inclusivity and special moments. Several inspiring actions exist in both brands:

- **Xandres** : *an inspiring brand*

With the slogan "We are all **Xandres**", the Belgian brand addresses every woman. Diversity and inclusion are not seen by **Xandres** as trends to follow, but as an imperative. The "Inspiring Women" program highlights inspiring women, their stories and their favorite pieces.

Discover the testimonials: [Inspiring Women \(Xandres.com\)](https://www.xandres.com)

In a quest for perfect omnichannelity, customers have the option of ordering online directly from their fitting room if the desired size is not available in store. The **Xandres** app also gives them the option to prepare their fitting list by scanning the barcodes of the items and selecting the appropriate sizes. The selected parts are then waiting for them directly in the cabin.

- **Damart**: *special moments of sharing*

The teams of in-store advisors, renowned for their expertise, are trained to best understand the challenges faced by customers. The "**Damart & Moi**" training focuses on the development of the omnichannel relationship. In this context and thanks to the experience of **Damart Belgium**, **Damart France** now offers a click & collect option.

Throughout the year, various events animated the stores in France and Belgium: gourmet teas, fashion shows, Operation Mother's Day, and much more. On social networks, Live Shopping sessions with Virginie Fauconnier and video advice on Instagram enriched the customer experience.

To celebrate Damart's 70th anniversary, a Cyclo Tour was organized, traveling through 21 cities in France with three-wheelers, which considerably strengthened the brand's notoriety. A special evening was also organized in Roubaix, bringing together about fifteen influencers.

Finally, **Damart France** has innovated by integrating an interactive audio widget on its website in partnership with Ekoo. This tool, presented in the form of a clickable button on each product sheet, allows detailed information to be provided in an interactive way.

## Secteur Healthcare

- **Almadia** : practical advice to improve everyday life

At **Almadia**, a buying guide has been set up, which consists of blog articles providing advice in response to customer questions. The topics covered are incontinence, daily life, fall prevention, lingerie, bathroom, health, mobility, Alzheimer's disease.

The Home Return and Support Unit (URMAD) is a service in **Almadia** dedicated to facilitating the discharge from hospitalization and home care of patients. As an expert in coordination and medico-technical equipment, URMAD offers personalised solutions to guarantee a safe and adapted living environment, in close collaboration with health professionals. Intervening mainly in the Nord, Pas-de-Calais and Somme regions, URMAD offers tailor-made support, adapting to each situation to ensure optimal follow-up and an improved quality of life at home.

### ➤ Customer satisfaction

Customer satisfaction is a major concern for the Group's companies because it consists of the adequacy between the customer's expectations and the perceived performance of the service or product offered.

Measuring customer satisfaction is a crucial step in delivering positive experiences. The two satisfaction indicators used internally are NPS and return rate analysis.

- **NPS**

Since 2013, the Group has been measuring customer satisfaction with the Net Promoter Score (NPS) tool. After purchase, customers are asked to rate their probability of recommending the brand to their friends and family from 0 to 10. "Promoters" are those who gave a score of 9 or 10, "detractors" are those who gave a score of 6 or less. 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 NPS of the **Damartex group** for the 2022-2023 financial year is: **48**, up from the previous year (37.8).

#### *NPS by brand in the 2023-2024 fiscal year*

Damart	Xandres	3Pagen	Coopers of Stortford
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<b>50.3</b>	<b>61,1</b>	<b>24,8</b>	<b>46.6</b>
(2022-2023 : 41,1*)	(2022-2023 : 60*)	(2022-2023 : 2,7*)	(2021-2022 : 40*)

*\*Updated with the new 2023 weighting*

Changes are positively impacted by product quality, product compliance, and on-time delivery, and negatively impacted by delivery times or delays.

The Damartex Group's objective is to reach an NPS of 50 by 2026.

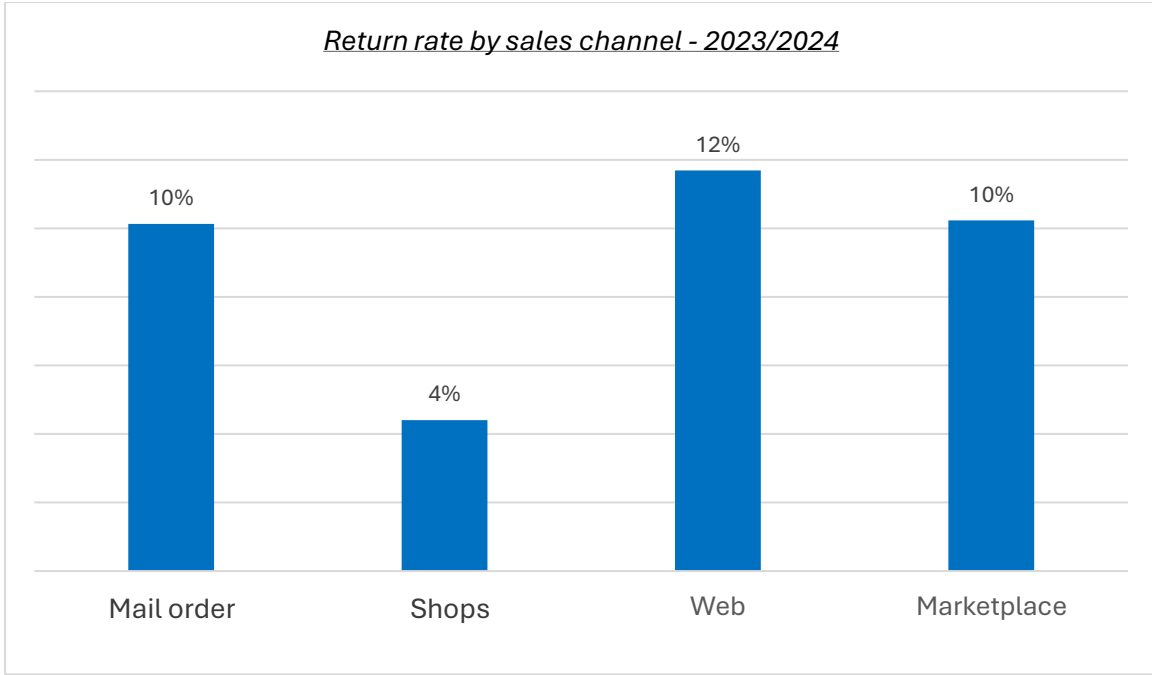
- *Return rate*

The return rate is another good indicator of customer satisfaction with the perceived quality of products. Each season, a multidisciplinary team analyzes the high customer return rates and conducts the necessary action plans with the suppliers concerned.

At **Damart**, an analysis of these product return rates (excluding promotional items) is carried out at the end of each season. It allows quality teams to refine the requirements criteria according to the reasons for the returns.

*Return rate by brand for the 2022-2023 fiscal year*

DAMART			3PAGEN	COOPERS OF STORTFORD	XANDERS	ALMADIA
FR	BE	UK				
6,63% (6.28% in 2022-23)	3.77% (3.77% in 2022-23)	20,83% (18.49% in 2021-2022)	6.45% (7.93% in 2022-23)	3,42% (6.66% in 2022-23)	6,3% (0.44% excluding marketplace in 2022-23)	0,72%



### 3. Facilitating relationships with our ecosystem

#### GOVERNANCE AND VALUE SHARING

CSR is at the heart of our model, so a CSR criterion is integrated into the remuneration of the Group's senior executives.

In France, several value-sharing mechanisms make it possible to associate employees with the performance and capital of the company. Certain measures have been offered to the Group's employees over the period: value-sharing bonus, profit-sharing, and profit-sharing.

- The value-sharing bonus: In order to support purchasing power, the French government has set up a value-sharing bonus that allows companies to pay their employees an annual bonus in addition to their salary. The employees of **Damartex Corporate** and **DSB** were able to benefit from it in 2023.
- Profit-sharing is an employee savings plan that allows employees to receive a bonus proportional to the results or performance of their company in order to associate employees with the company's objectives and results. An agreement between the French entities (**DSB**, **Damart France**, and **Damartex Corporate**) and the employees or their representatives allows the employees to benefit from it.
- Profit-sharing is a mandatory employee savings agreement that allows part of the company's profits to be redistributed to employees. The employees of **DSB** and **Damartex Corporate** were able to use it.

#### CORRUPTION AND BUSINESS PRACTICES

With a large presence in Europe, Tunisia and China and with a business model based on the purchase of products and then resale, the Group could face situations of corruption or conflict of interest. These situations could be illustrated by an arrangement during a price negotiation, the favouring of a supplier during a call for tenders or an increase in purchases from a supplier in exchange for remuneration. In the event of one of these situations, the **Damartex Group** would face an image and reputation risk, associated 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 as part of the compliance with the Sapin 2 anti-corruption regulations.

##### ➤ **Corruption risk mapping**

The annual update of the Group's corruption risk mapping takes place every two years. The last update took place for the 2023/2024 financial year. It took into account changes in the scope of the **Damartex group** with the integration of the entities of the Healthcare division. The activities

of the Healthcare division present specific corruption risks that it was necessary to include in the anti-corruption system.

In accordance with the SAPIN 2 regulation and the recommendations of the French Anti-Corruption Agency (AFA), interviews were conducted with operational staff to identify situations at risk of corruption as well as to identify third parties who may be involved in these situations. On the basis of the elements collected, the impact, the probability of occurrence of these situations as well as the potential aggravating factors were evaluated.

The corruption risk mapping was validated by the Group Risk Committee in March 2024 and presented to the Executive Committee and the Group Audit Committee in June 2024. An action plan has been defined with the Group Risk Committee for the 2024/2025 financial year, including targeted actions to raise awareness among exposed populations and a strengthening of the control system.

➤ **Alert system**

The Group has developed its own whistleblower system called Transparency and is available at the following address: [transparency@Damartex.com](mailto:transparency@Damartex.com).

This system was launched at the Group level in autumn 2018 in the Group's six languages (French, English, German, Dutch, Chinese and Arabic) and was the subject of an internal communication campaign (posting on sites and distribution of explanatory brochures). This system is also available to external suppliers, suppliers and customers, through a brochure provided at your discretion or a communication on the group's website.

The alerts reported through Transparency relate to any breach of probity as well as the following elements:

- Fraud (corruption, 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,
- Behavior contrary to the ethics and code of conduct of the **Damartex Group**.

The handling of the reports received is now the responsibility of the Group Ethics Committee. The members of the Group Ethics Committee are appointed for 2 years and undertake to respect the confidentiality of the author of the report, the facts constituting the report and the persons targeted by the report.

Based on the analysis of alerts, the Group Ethics Committee is also in charge of identifying corrective measures to limit the recurrence of risk situations (reinforced internal control, training, etc.).

Reporting is carried out periodically with the Group Risk Committee and the Group Audit Committee.

➤ **Code of Conduct**

The Sapin 2 regulation requires the implementation of a code of conduct defining and illustrating the different types of behaviour to be prohibited. The latter must be seen as the materialization of the anti-corruption approach of the governing body.

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

➤ **Fir II Training**

Sapin II training actions are regularly implemented within the **Damartex Group**. In 2023, a SAPIN 2 training course was provided by the Middenext organization. It has made it possible to train the directors and managers of the entities of the Healthcare division as well as the French-speaking directors who are most exposed to Sapin 2 and who have not yet been able to benefit from training.

In the 2023-2024 financial year, targeted actions to raise awareness of the Transparency internal whistleblowing system were deployed in all Group entities. These actions were carried out by the Internal Audit & Risk Management team or by the local teams (HR relays).

The monitoring of compliance with the Sapin 2 regulations is managed by the Group Risk Committee on a quarterly basis.

## **PAYMENT POLICY**

The **Damartex Group** ensures that it maintains relationships of trust with its customers and partners in all areas, including payment practices.

➤ **Receiving payments from customers**

There is currently no Group policy for customer payments, which are managed independently by the subsidiaries' finance department. The subsidiaries use different payment methods related to the distribution channels (stores, web, mail order). The Group's treasury teams regularly report on payment defaults and fraud by means of payment:

- Historically a mail-order chain, catalogue sales still represent 39% of the Group's sales and payments by cheque and credit card are the most at risk. The **Damartex Group** suffers less than 4% fraud.
- Regarding transactions carried out on websites, which have a strong development potential to secure payments, **Damart** and **3Pagen** now have two-factor authentication for new customers.

### ➤ Supplier payment

Regarding suppliers, 3 means of payment are used within the Group: letter of credit, documentary delivery and bank transfers. In accordance with the legal provisions, **Damartex** applies a maximum payment period of 60 days after the date of issue of the invoice to its suppliers.

A formalized process for creating and modifying accounts payable has been set up by the Group's accounting department and is based on the responsibility of the buyer who ensures the veracity of the information transmitted.

## TAXATION

The **Damartex Group** is transparent about its taxation and wants its tax policy to be fully in line with its corporate responsibility strategy. The Group therefore adopts a civic attitude consisting not only of respecting the legislation but above all of making a fair contribution to the countries in which it operates. Thus, the **Damartex Group** pays the taxes due in the countries where it is established. It thus contributes to their development and to maintaining, in these countries, a stable economic environment, with quality public services (health, education, security, transport) that benefit everyone, including the Group itself.

## INFLUENCE POLICY

The **Damartex Group** is working on the deployment of a public affairs and influence communication strategy and is committed to:

- Be part of the public debate, in relation to your sector of activity:
  - In the course of his duties within federations, unions and organizations:
    - **Damart** is a member of the Board of Directors of Refashion
    - **Damart** is a member of the Board of Directors of the Alliance du Commerce
    - **Damartex** is a member of the board of directors of FEVAD (federation of distance selling)
  - As part of its positions and response to the calls for contributions set up by the Government
    - Specifications of the Refashion eco-organisation
    - Consultation on the draft CSRD regulation within Middenext
- Be part of the solution, i.e. contribute to the debate, by showing a willingness to test and engage, as opposed to defensive lobbying:
  - As part of **Damart's** participation in the ADEME working group, Mirror Group for French Environmental Labelling or in the DURHABI project.
- Be part of the community to enhance your territorial roots by getting to know the local ecosystem:
  - As part of its action with the city of Roubaix, the city that hosts the head office, in particular with Damart's annual participation in the World Cleanup Day.



*After examining our commitments in terms of doing business, it is natural to extend this reflection to another pillar of our responsibility: solidarity. Indeed, ethics is not limited to our internal practices, it also extends to the way we contribute to the well-being of society. The inclusiveness of all seniors and the solidarity initiatives carried out by the companies of the **Damartex Group**, as well as by the On Senior's Side Foundation, illustrate our desire to develop our societal commitment.*

## Part 4. Developing our social commitment

### **Our ambitions:**

- Ensuring that all seniors are respected and served
- Carrying out solidarity actions
- Growing the On Seniors' Side Foundation

**2026:** Make the Group and its Foundation a leading player in the inclusion of seniors

### **1. Ensuring that all seniors are respected and served**

More than a signature, our raison d'être: "On Seniors' Side" is a commitment to respect and serve all people aged 55 and over, from the youngest still active to the oldest with a loss of autonomy. The **Damartex Group**'s mission is to offer them the best in progress, fashion, products and services that make their daily lives easier. Each of the group's brands has always had an emotional, complicit, authentic and lasting bond with its customers. This is what inspires and guides the actions of all the Group's employees on a daily basis.

The **Damartex Group** ensures that the collections meet the specific needs of consumers and allows everyone to find their style by imagining high-quality pieces for everyone, adapted to all sizes, morphologies and complexions. It also means promoting access for all by making its offer of affordable quality products accessible.

This inclusivity is also found in the new **Damart** stores, which has renovated its stores to better adapt. With more airy circulation spaces, this new concept adapts to the needs of customers. The alcove systems delimit the different major universes, and the spacious cabins welcome customers to facilitate their fitting and provide them with hangers, shelves and a bell button that allows them to call a saleswoman.

With inclusivity in mind, **Damart** has partnered with Acceo, a telephone and physical accessibility solution. The service allows the deaf or hard of hearing, deafblind and aphasic public to exchange free of charge during an on-site reception and a face-to-face exchange.

### **BRANDS COMMITTED TO THE 55+**

#### **Damartex Fashion: fashion that combines comfort and style**

**Damart** has been cultivating a taste for well-being for 70 years and today provides well-being and comfort, summer and winter. **Damart's** well-being also means offering its customers the opportunity to choose well: at home, in front of the staged products presented in the catalogue and the website, or in the friendly atmosphere of the stores, helped by the advice of qualified staff.

**Xandres** offers high-quality products and is aimed at a younger, more affluent demanding customer. Very famous in Belgium, **Xandres distributes** its products in stores, in multi-brand corners, and on the web. With a strong presence on social networks, the brand is undergoing its "green" revolution to assert itself as a cutting-edge and sustainable fashion brand.

### **Damartex Home & Lifestyle: all the solutions that make life at home easier**

**Coopers of Stortford** offers a "so *British*" art of living acclaimed by the 55+ by marketing innovative items for well-being, leisure, health, decoration or cooking *via* its catalogue, its website and in its store. The brand's vocation is to considerably improve the lives of seniors at home, thanks to useful products that bring real added value on a daily basis.

**3Pagen** is one of the leading mail-order players for kitchen, decoration, home and wellness products. **3Pagen** offers a range of practical items with excellent value for money: clever, inexpensive products designed to beautify the home and make life easier for all seniors.

**Vitrine Magique** offers its customers a wide range of objects for the kitchen, garden, decoration at low prices, whether they are products for maintenance and storage, kitchen accessories, products for leisure, personalized objects, products for well-being.

### **Damartex Healthcare: the health platform for "ageing well" at home**

#### ➤ **Home care**

**Almadia** wants to make it possible for seniors to "Live well at home". It is to allow a convalescent, elderly or disabled person to continue to live at home in their familiar environment, with their memories, their landmarks and their lifestyle habits. It means respecting her choice not to want to be placed in a specialized institution, by providing her with solutions and services so that she can remain as independent as possible and for as long as possible.

#### ➤ **Home Health Benefit (HCB)**

**Santéol** is a medical and technical service provider specialising in the fitting and home monitoring of patients suffering from respiratory and sleep disorders. **Santéol** offers therapeutic solutions that improve the health of each patient through its diagnostic, treatment and follow-up activities. Dedicated teams are available to patients. Available 24 hours a day, 365 days a year if needed, several specialized technicians answer patients' questions.

**Msanté** is a home care provider, specializing in infusion and nutrition. Known for simplifying and optimizing patient support in increasingly complex medical protocols, its team, composed mainly of nurses and nutritionists, is patient-centered. By creating a link between the patient at home and the hospital services, the organization of home care and communication are facilitated.

The Group's brands, by their DNA, are resolutely focused and committed to the over 55s.

## CUSTOMER KNOWLEDGE

To ensure that the proposed offer is in line with the needs of customers/patients, the Group must carry out and multiply actions to have a detailed knowledge of their expectations. This involves internal call centres for each brand, a place for exchanges and dialogue with customers ("*The Customer Lounge*") to capitalise on human relations, customer studies and surveys and a monitoring tool for the senior community ("*L'Observatoire des Seniors*").

### ➤ The Customer Lounge

With the aim of always better serving its customers, the **Damartex Group** 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.

KEY FIGURES
Number of listening sessions at the Group Level Customer Lounge: <b>4</b>
Number of customers listened to in the Group-level Customer Lounge: <b>33</b>

The **Damartex Group** was able to receive customers in December 2023, March and April 2024. Three **Damart** customer workshops were held in the Customer Lounge and one workshop in the **Damart** store in Châtelet. These workshops focused on strategic issues and allow internal teams to better understand customer expectations and guide the strategy to meet them.

### ➤ Customer surveys

- *Almadia Survey*

Following the launch of the **Almadia brand**, the teams needed to understand the perception of the quality of customer service and to better understand the expectations of its customers. Two studies were launched in parallel: one customer **satisfaction** study to measure strengths and areas for improvement, the other with patients on understanding **the new brand image** and meeting needs.

- *Damart product quality surveys*

This study is part of an internal project on the **physical durability** of products. The aim of this survey was to better understand the customer's perception of the quality of a specific product range. This multi-country study (France, Belgium, UK) allowed us to have feedback from 1235 **Damart** customers and to strengthen the teams in their strategic actions.

- *The Valentine Damart project*

Understanding Damart's **core customer** is an essential part of the business strategy. This must return to the heart of reflections and development axes. Thus, the Valentine project responds to this approach. It will shed light on who this customer is and what she likes.

This project was structured around 4 axes that allowed an in-depth analysis of the points of intersection or differentiation in the 3 Damart countries (FR, UK and BE): customer, marketing and promotion, product offer, communication/content.

This project aims to modernize and refine the Damart brand proposition without fundamentally reinventing or modifying it.

- *Xandres Sustainability Survey*

In 2023, **Xandres** conducted a first survey developed with the help of the Flemish University Thomas More on sustainability. 574 responses from internal and external stakeholders were received, 76% of which were customers.

The topics discussed revolved around the importance of the different areas of CSR action in which **Xandres** is already investing or plans to invest in the near future. The results showed a high match between internal and external stakeholders (89% consistency).

Services related to new business models such as clothing rental, used clothing collection and second-hand are at the bottom of the ladder (these services were not yet offered at **Xandres**), while on Green Friday, quality and timeless design are at the top. This last point confirms the DNA of the **Xandres** brand and the focus on quality, longevity and repair.

- *The Seniors' Observatory*

Based on the principle that the more the senior population is known, the better it will be served, **Damartex** has developed **the Seniors' Observatory**, a website accessible to all that disseminates information on seniors: <http://observatoire-des-seniors.com>.

This observatory gathers information on the 55+: demography, leisure, family, place in society, health, but also the relationship to new technologies. In addition to external communication, the Seniors' Observatory allows us to better understand the current needs of customers and to anticipate future ones.

All these actions give meaning and allow us to serve customers on a daily basis. **Damartex** employees are in direct contact (stores, call centers) daily with nearly 40,000 seniors in Europe. This gives meaning and gives the Group a very detailed knowledge of this target that is seniors.

## **2. Carrying out solidarity actions**

In line with the actions carried out by the Foundation and in line with the Group's raison d'être: "On Seniors' Side", the subsidiaries are mobilised through various solidarity operations.

For example, as part of their annual objectives, employees from the Finance and Legal departments of **Damartex Corporate** participated in a sorting session organized by the Cravate Solidaire, an association supported by the On Seniors' Side Foundation that helps with professional integration and the fight against discrimination in hiring through coaching sessions. **1.5 tons** of clothes were sorted during this half-day.

### **THE PINK OCTOBER CAMPAIGN**

Pink October is a major communication campaign in favor of breast cancer prevention and screening that aims to inform, raise awareness and raise funds for research. This is an important event internally, and all the teams are mobilized for this cause that is particularly close to their hearts. This year again, **Damart** has decided to participate in the Pink October operation throughout the month of October. €55,000 was donated to the Pink Ribbon association, and 50 heart cushions were sewn by the employees for the League Against Cancer.

### **PRODUCT DONATIONS**

We try as much as possible to anticipate our sales volumes and thus avoid unsold (or overstock) which represents an important social and environmental issue. However, at the end of the season, we sometimes have unsold items. Over the year, for example, they represented 8% of our goods at Group level.

In order not to destroy these new products, **Damart** is developing donation partnerships with local associations in France and the United Kingdom, to fight against exclusion and precariousness. The products thus find a second life and are offered to the most disadvantaged at very low prices. More than **70,000 pieces** were redistributed this year.

Following the earthquake in Morocco on September 8, 2023, **Damart** also wanted to donate warm clothes for the affected populations, particularly in the High Atlas. Thus, Thermolactyls, sweaters and bags were provided to help cope with the difficult weather conditions. Then, in December 2023 and March 2024 respectively, the Resto du Cœur de Wattrelos and the association La Maisonnée were equipped with warm underwear.

### **3. The On Seniors' Side Foundation**

The existence of our Corporate Foundation is a strong societal commitment to a fairer, more united and more responsible world. Its mission is to move the lines in favor of the place of the over 55s at the heart of our society. To do this, the Group's brands donate 1% of their profits to the Foundation.

Intergenerational solidarity, social isolation, health, loss of autonomy, active ageing are all issues that are topical for seniors and that are being taken up by the associative sector. These are also the issues that the On Seniors' Side Foundation has been trying to face for the past 5 years. Indeed, this year marks an important anniversary: the 5th anniversary of our commitment to seniors.

Since its creation, it has participated in the financing and support of **128 projects** in 5 countries for an amount of **€720,000**.

#### **THE GENESIS OF THE FOUNDATION**

The creation of the Foundation in 2019 was motivated by the **Damartex group's** desire to develop partnerships with charitable organizations to go beyond a simple business issue, to be at the side of the elderly. Its action is driven by the commitment of employees from all the subsidiaries who have immense respect, knowledge and a real passion for seniors.

Each **Damartex** subsidiary is a founder of the Foundation and contributes financially to its operation and local actions.

#### **THE FOUNDATION'S VISION**

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 flourish with dignity.

#### **THE FOUNDATION'S MISSION**

"Changing society's view of seniors and acting for their well-being" is the Foundation's mission. It is aimed at all seniors and, to fulfil its mission, supports projects in the countries where the group is established: France, Tunisia, Belgium, UK, Germany.

To fulfil this mission, the Foundation finances projects carried out by associations around the three identified areas:

- Encourage the activity of seniors to improve their well-being,
- To help seniors to invest in society and encourage intergenerational links,
- Promote good health at home and support caregivers.

## THE ORGANIZATION OF THE FOUNDATION

### ➤ Governance

The Foundation is managed by a Board of Directors and is managed by a Committee made up of employees from each subsidiary.

#### - *The Board of Directors*

The Foundation's Board of Directors is made up of 9 members, 5 of whom are internal to the **Damartex Group** and representatives of the Founders, and 4 are external and qualified, with expertise in seniors or charitable actions:

- Marie Despature: Country Manager at Muséo and member of the Supervisory Board of Damartex and Somfy,
- Anne-Marie Durocher: President-Founder of the ALMA Nord-Pas-de-Calais association against the mistreatment of the elderly, founding member and honorary president of the Northern Society of Clinical Gerontology,
- Bérangère Penaud: Strategy Consultant at Thomas More Partner,
- Laurent Delemer: HPM Group Facility Director in charge of the geriatric sector.

The Board of Directors meets twice a year, and aims to:

- Ensure the execution of the Foundation's mission and the implementation of the program defined within the 3 axes,
- Define strategic choices and major orientations,
- Vote on the budget and validate the accounts,
- Affirm and uphold the Foundation's commitment and values.

#### - *The Steering Committee*

The Foundation's Steering Committee is made up of 9 members: The Ambassadors and the Director of the Foundation. The Foundation's ambassadors are the privileged interlocutors of employees who wish to play a role and invest in the Foundation.

The Steering Committee meets three times a year to examine the applications submitted by employees and select projects that meet the Foundation's values.

In 2023, the Committee carried out extensive work on the project selection process. A rating grid has been set up to facilitate their selection. This new system takes into account the need and number of beneficiaries, the relevance and impact of the projects, the involvement of the sponsor and the completeness of the file.



➤ **The role of ambassadors**

- *Validate projects funded by the Foundation during the Steering Committees*
- *Promoting the Foundation internally*

By introducing the Foundation to their colleagues, relaying information about the projects supported by the Foundation, and answering employees' questions about the projects.

- *Creating commitment for the Foundation*

By looking for a project sponsor, by helping an employee fill out a submission file, by launching a call for projects...

- *Represent their company with the Foundation*

By receiving and sending project submission files to the Foundation, by participating in project selection meetings, by actively participating in the evolution of the Foundation's operations and by sharing their best practices for animation

- *Participate in working groups aimed at the continuous improvement of the Foundation's operations*

➤ **The role of project sponsors**

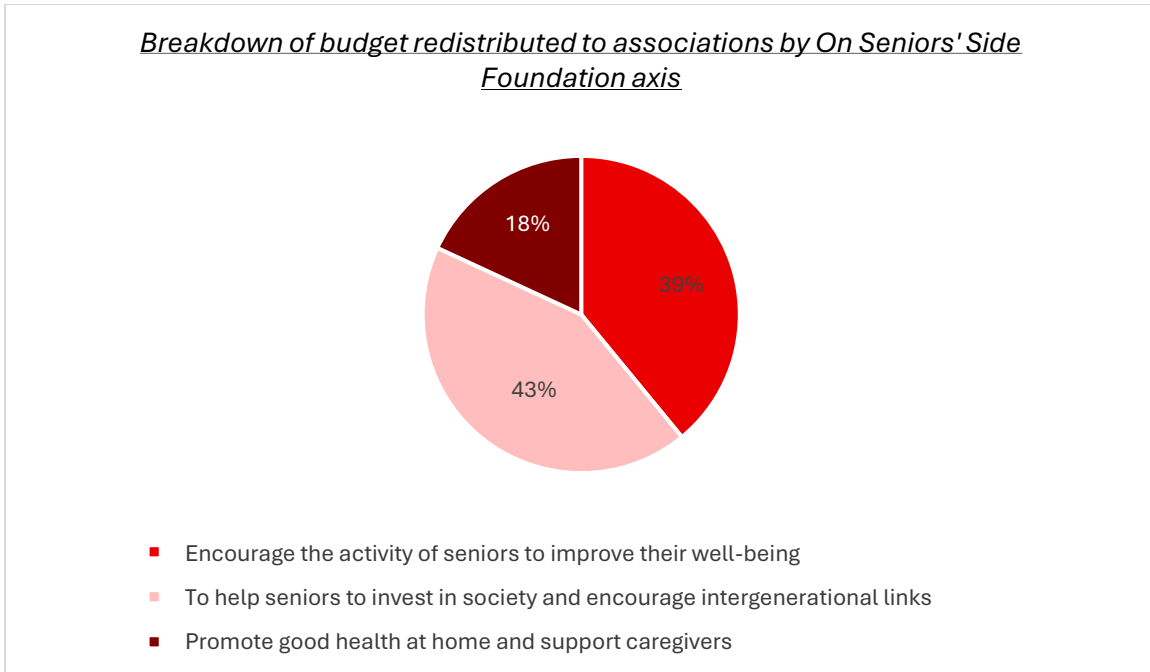
All projects financed by the Foundation are sponsored by a Group employee, in order to offer them the opportunity to invest in the benefit of seniors and to maintain the benevolence, respect, empathy and passion that constitute the basis of the brands' values.

Supporting a project as a sponsor means being a privileged interlocutor of the association and the Foundation, ensuring the smooth running of the project and communicating the progress to the Foundation. Thus it is:

- Be the Foundation's representative to the association and its privileged interlocutor,
- Be an actor in the development of the project,
- To be the transmission belt of information and communication elements between the association and the Foundation.

**THIS YEAR'S FUNDED PROJECTS**

The amount allocated to the associations this year amounts to nearly **€97,021**. It is divided as follows according to the 3 axes:



**21 projects** have been funded, including 10 to promote the well-being of seniors, 9 to encourage intergenerational links and 2 to support caregivers. This financial aid has enabled the associations to purchase equipment, organise activities and events as well as training and support.

We have enabled, among other things, the equipment of medical equipment for a hospital in Tunisia and a gym in England, but also the equipment of a living space and a petanque court for senior residences in France. We have also financed projects to facilitate the return to work, training in digitalization and raising awareness of the role of the caregiver, particularly in France. Finally, we have helped associations to set up theatre classes, sports sessions, writing workshops and cultural outings in France, Belgium and Germany.

All the beneficiaries of these projects are senior people to whom we wish to give back an active place in our society and allow the construction of a benevolent, supportive and inclusive world towards seniors.

## **THE FOUNDATION'S COMMUNICATION**

### ➤ **5 years of the On Seniors' Side Foundation**

This year marks an important anniversary: the 5th anniversary of our commitment to seniors. We wanted to celebrate this event on April 11 by honoring all those who contributed to this success. For this occasion, each division has mobilized in its own way, wishing to celebrate the Foundation's anniversary in a moment of conviviality.

A collective retrospective by videoconference made it possible to look back on the highlights of these 5 years. Then on each site, the ambassadors organised events: association forums, cake

sales, plays, product collection, discoveries of the associations' sports and cultural activities, etc.

➤ **Communication strategy**

As part of our ambition to become a leading player in the inclusion of seniors, we have set up a communication plan whose ultimate objective is the creation of an On Seniors' Side community.

KEY FIGURES
Number of articles published on social networks <sup>13</sup> : <b>91 articles</b>
Number of visits to the Foundation's website over the period: <b>672</b>

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<sup>13</sup> Between September 2023 and August 2024

## Methodological note

The social, environmental and societal information presented in this report has been prepared for the year ended June 30, 2024 in accordance with Articles L.225-102-1 and R.225-105-1 of the French Commercial Code.

- The 2023/2024 DPEF scope corresponds to the Group scope as defined in the financial statements.
- Given the nature of the Group's activities, the following themes: the fight against food waste, the fight against food insecurity, responsible, fair and sustainable food, actions to promote the link between the nation and the army and to support commitment to the reserves, are considered irrelevant and do not warrant a development in this report.

### Limiting our environmental impact

Tonnes CO<sub>2</sub> eq: CO<sub>2</sub> eq emissions measured on the Group's scopes 1, 2 and 3 for the 2023-2024 financial year according to the GHG Protocol method on the Group scope (Fashion, Home & Lifestyle, Healthcare divisions)

*Methodological details – Greenhouse Gas Balance:*

- Data sources: internal sources (internal databases, financial reports, internal questionnaires, monitoring registers, etc.) and external sources (public databases, academic publications, etc.)
- Data collection: To improve the agility of our data collection, we have increased our flexibility for contributors. This year, they had the option of collecting data over a period of 11 months (with an extrapolation of missing information for the remaining month) or 12 months.
- Emission factors: updated from the latest version of the ADEME Empreinte database or public reports. For product purchases, the assessment is based on World values, in the absence of available emission factors including the origin of the materials.
- Emissions calculation: Energy consumption data has been converted into CO<sub>2</sub> equivalents using coefficients specific to each type of energy. The reference framework for evaluating textile purchases in the Fashion division and the use of products in the Home & Lifestyle division have also been unified. Finally, emissions related to sending e-mails to customers and incoming and outgoing emails have been integrated.

Share of eco-responsible references in the collection: total number of references classified as eco-responsible in the 2023-2024 collection / total number of references in the 2023-2024 collection.

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

Collection renewal rate : number of references renewed in the 2023-2024 financial year/ total number of references in the 2023-2024 collection.

A renewed reference is a product from the 2023-2024 collection that was already offered in the 2021-2023 collection, possibly with a new colorway.

Unsold product rate : quantity of unsold products from the 2023-2024 collection / total quantity of products offered from the 2023-2024 collection

Customer return rate: number of items returned in the 2023-2024 fiscal year / number of items sold in the 2023-2024 fiscal year

Production of non-hazardous and hazardous waste: total consolidated volume of waste with toxic, hazardous or non-hazardous elements generated by the Group's subsidiaries for their activity in the 2023-2024 financial year

Tonnes of plastic waste generated by the activity: total quantity of plastics generated by the activity of the brands (plastic bags in stores, polybag products, product packaging, parcel packaging, mailing packaging and catalogues)

## **Responsible Business Conduct**

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

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

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

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

Rate of progress between two consecutive audits: (percentage of compliance of audit N – percentage of compliance of audit N-1) / percentage of compliance of audit N-1

Rate of suppliers who have signed the charter: total number of suppliers who have signed the Damartex Way responsible purchasing charter / total number of suppliers

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

Valid : unadvertised or semi-advertised less than 2 years old

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

Purchase volume from audited factories: volume of product purchases from a supplier with at least one factory having a valid ICS audit or BSCI audit / total product purchase volume.

Level of compliance of the audited factories : Average percentage of the score obtained during an audit carried out over the period

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

The notions of promoters and detractors are evaluated on the basis of the question: "On a scale of 0 to 10, what is the probability of recommending the brand to your friends and family?" asked after purchase to customers:

- *Sponsors* : Customers who gave a score of 9 or 10
- *Detractors* : Customers who gave a rating of less than 6

### Promote the company's human capital

Total number of employees : total number of employees (in persons) as of 30.06.24

Share of employees on permanent contracts: number of employees on permanent contracts as of 30.06.24 / total number of employees as of 30.06.24

Turnover rate :  $\left( \frac{\text{Number of departures in FTE on permanent contracts over the financial year} + \text{Number of arrivals in FTE on permanent contracts over the financial year}}{2} \right) / \text{Number of FTE employees on 30.06.23} \times 100$

Number of permanent hires: number of FTE hires on permanent contracts carried out in the Group's subsidiaries during the 2023-2024 financial year

Rate of access to training : number of employees who have completed at least one training course in the 2023-2024 financial year out of the total workforce at 30.06.24

Number of employees who have completed at least one training course: consolidated number of employees at Group level who have completed at least one training course during the 2023-2024 financial year

Training budget : consolidated budget at Group level allocated to employee training during the 2023-2024 financial year

Average number of training hours per employee : total number of training hours provided during the 2023-2024 financial year / total headcount as of 30.06.24

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

Absenteeism rate due to illness and accidents at work Group : (hours of absence due to occupational illnesses and accidents) / theoretical hours worked

Number of accidents resulting in work stoppage : consolidated number of work accidents occurring at Group level and resulting in a work stoppage of more than or equal to 1 day

Incidence of occupational accidents:

- Frequency rate: = (number of TAs with time off  $\geq$  1 day x 1,000,000 hours) / hours worked
- Severity rate: = (number of days off work at  $\geq$  1 day x 1,000) / hours worked

Share of employees covered by the provident agreement : Number of employees covered by a provident agreement/ Total number of employees at 30.06.24

Share of employees with medical coverage: Number of employees covered by a provident agreement/ Total number of employees at 30.06.24

Share of employees benefiting from collective agreements : Number of employees benefiting from collective agreements / Total number of employees at 30.06.24

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 30.06.24 / total number of Group employees

Percentage of women in the workforce: number of women in FTEs as of 30.06.24 / total number of Group employees in FTEs

Share of women executives (or managers): number of women executives or managers in FTE / total number of executive or manager employees in FTE

Share of women members of the Executive Committee: number of women members of the Executive Committee / total number of members of the Executive Committee

Share of women members of the Supervisory Board: number of women members of the Supervisory Board / total number of members of the Supervisory Board

Gender pay gap: Average gender pay gap

Share of employees with disabilities (in French subsidiaries): number of employees with disabilities (in French subsidiaries) / total number of employees in French subsidiaries

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

Share of employees who have had an individual interview : Number of employees who have had an individual interview / Total number of employees at 30.06.24

## **Developing our social commitment**

Number of listening sessions at the Group-level Customer Lounge: Number of sessions or customer sharing in the 2023-2024 financial year.

Number of customers listened to in the Group-level Customer Lounge: Number of customers who participated in at least one session in the 2023-2024 fiscal year

Number of projects funded by the Foundation: total number of projects funded by the Foundation in the 2023-2024 fiscal year

Total amount distributed to associations: sum of the amounts paid to associations by the Foundation as part of a project funded in the 2023-2024 financial year

Number of articles published on social networks over the period: number of articles published on the Foundation's social networks over the 2023-2024 financial year

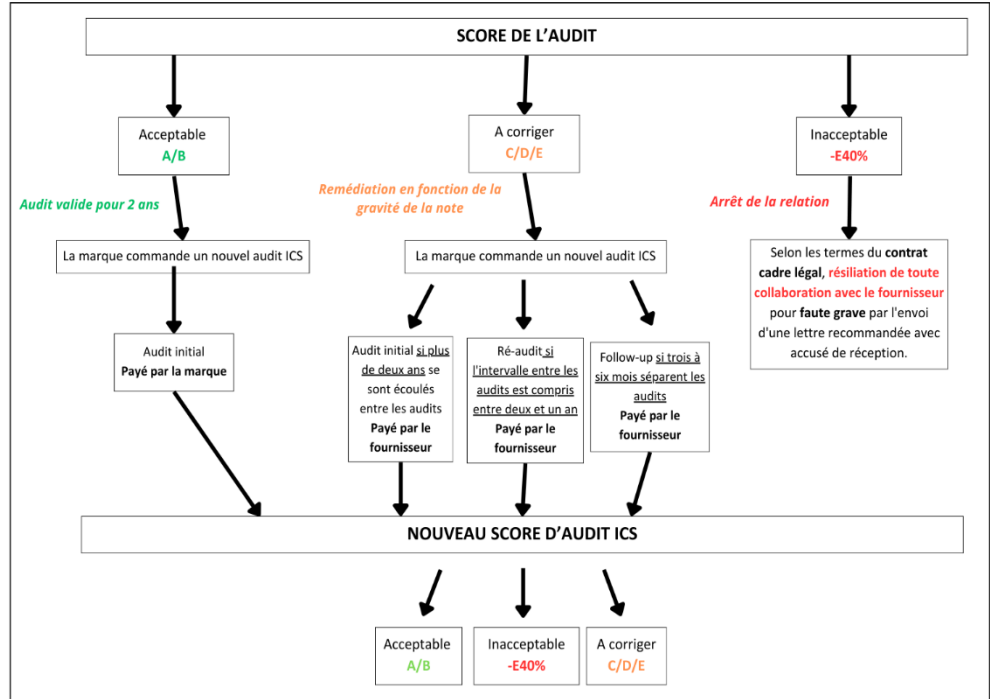
Number of visits to the Foundation's website over the period: number of external visits recorded on the Foundation's website in the 2023-2024 financial year



## Annexes

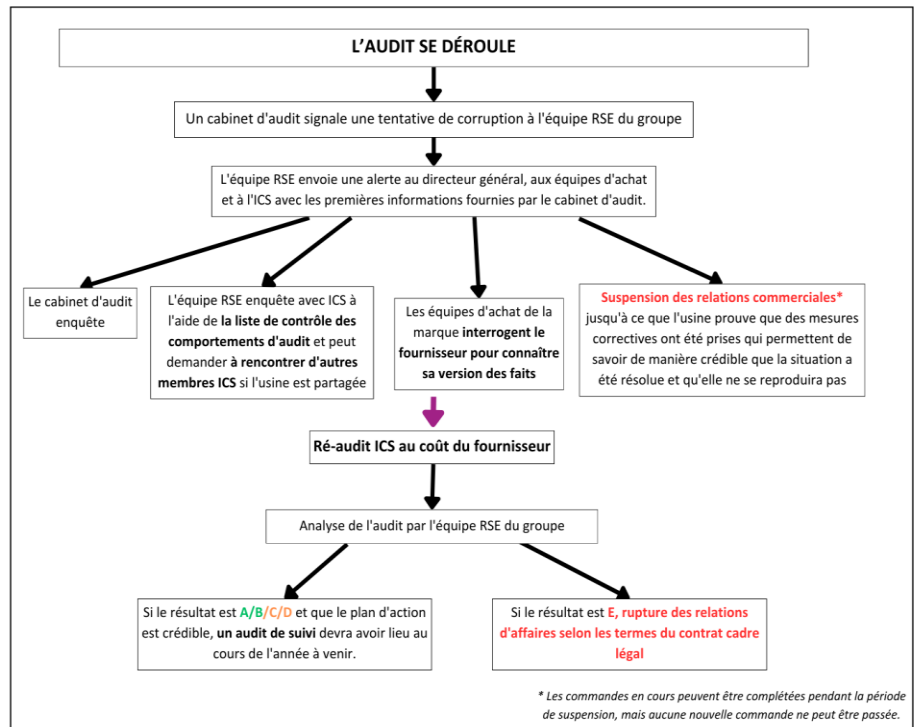
### Appendix 1: Audit Follow-up Process

#### PROCESSUS DE SUIVI DES AUDITS



### Appendix 2: Procedure in the event of attempted bribery

#### PROCÉDURE LORS D'UNE TENTATIVE DE CORRUPTION



## Lexicon

**FAC:** Damart France head office

**CLEM :** logistics warehouse of Damart France and Damart Belgium

**DA :** DSB and Damartex headquarters

**DMT:** Damart Manufacturing Tunisia – Damart's own factory in Tunisia

**DMS:** Damart Manufacturing Support – Support teams at the Damart plant in Tunisia

**MESQ :** Environment, Social and Quality Management Project of the production plant in Tunisia

**VAD :** Distance Selling

**FTE:** Full-Time Equivalent

**DSB Box:** digital toolbox available to DSB and Damartex Corporate employees

**HLS :** Home & Lifestyle

**Healthcare division:** health division



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## DAMARTEX SA

### **Avis de l'organisme de vérification Exercice clos le 30 juin 2024**

Aux actionnaires,

À la suite de la demande qui nous a été faite par la société DAMARTEX SA (ci-après « entité ») et en notre qualité d'organisme tiers indépendant (« tierce partie »), accrédité par le COFRAC Inspection sous le numéro 3-2013 rév.1 (Accréditation Cofrac Inspection, n°3-2013 rév.1, 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 juin 2024 (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 consolidée de performance extra-financière est conforme aux dispositions réglementaires applicables et que les Informations, prises dans leur ensemble, sont présentées, de manière sincère, conformément au Référentiel.

## 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.

## Limites inhérentes à la préparation des Informations

Comme indiqué dans le paragraphe « Limiter nos impacts environnementaux », les Informations peuvent être sujettes à une incertitude inhérente à l'état des connaissances scientifiques ou économiques et à la qualité des données externes utilisées. Certaines informations sont sensibles aux choix méthodologiques, hypothèses et/ou estimations retenues pour leur établissement et présentées dans la Déclaration.

## Responsabilité de l'entité

Il appartient à la direction de :

- 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)<sup>1</sup>.

## 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 16 juillet 2024 et 24 septembre 2024 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 11 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, 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;

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<sup>1</sup> ISAE 3000 (révisée) - Assurance engagements other than audits or reviews of historical financial information

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 27 septembre 2024,

*Isabelle Lhoste*

FINEXFI  
Isabelle Lhoste  
Associée

## Annexe 1

### Informations quantitatives vérifiées :

#### Thématique sociale :

- Nombre total de collaborateurs (en équivalent temps plein)
- Taux de féminisation de l'effectif
- Nombre de recrutements en CDI
- Taux de turnover
- Taux d'absentéisme pour maladie et accidents du travail Groupe
- Nombre d'accidents ayant entraîné un arrêt de travail
- Taux de fréquence
- Taux de gravité
- Nombre de salariés ayant suivi au moins une formation / Taux d'accès à la formation

#### Thématique environnementale :

- Tonnes de CO2 eq. Émises
- Part de références éco-responsables de la collection – Vérification du processus
- Tonnes d'emballages plastiques
- Production de déchets dangereux et non-dangereux au niveau Groupe (tonnes)

#### Thématique sociétale :

- Nombre de fournisseurs de rang 1 (actifs sur la période de reporting)
- Volume d'achats issu d'usines auditées – Vérification du processus
- Part des volumes d'achats par niveau de risque – Damart (DSB), Coopers of Stortford
- Part des volumes d'achats audités par niveau de risque - Damart (DSB), Coopers of Stortford
- Typologie de fournisseurs - Damart (DSB)

### Informations qualitatives vérifiées :

- Accords d'entreprise