### FNAC DARTY



**CSR REPORT 2021-2022** 

**OUR COMMITMENTS** 

Human capital • Sustainable consumption • Climate protection • Local development & culture • Business ethics

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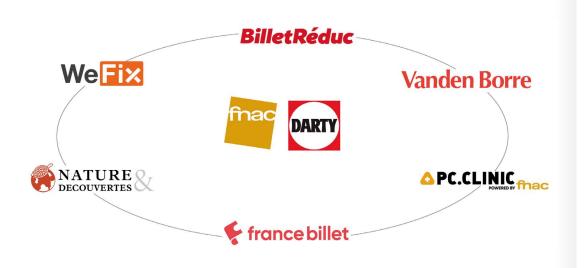
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## **CSR AT THE HEART**

### of "Everyday", our new Strategic Plan

With more than 25,000 employees worldwide, some 950 stores, and almost 10 million loyal customers, Fnac Darty is fully aware of its responsibilities as a business and of consumers' growing expectations. The Group has decided to place CSR at the heart of "Everyday" – its new Strategic Plan – to make sure that its approach is wholly consistent with the principles of sustainable development and to keep generating positive impacts for society.

#### THE GROUP'S BRANDS





#### **OUR RAISON D'ÊTRE**

Committing
to providing
an educated choice
and sustainable
consumption



#### **KEY FIGURES END 2021**







### **MESSAGE** from the CEO

"Everyday", our new Strategic Plan, based on the pillars of service, advice, and sustainability, marks a turning point for our Group, and gives us a blueprint for becoming, by 2025, the key ally to consumers, helping them be sustainable in their consumption habits and in their daily household tasks.

"Everyday" is a global response to the expectations of our customers, our employees, and society as a whole, and demonstrates our ability to look ahead and place sustainable development at the very heart of our model.

In the pages of this report, I am proud to present our practical and unwavering commitments, which underpin the relationship built on trust between our Group and all of its stakeholders.

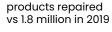
**Enrique Martinez CFO** 

#### **OBJECTIVES OF THE STRATEGIC PLAN EVERYDAY**

By 2025



2.5 MILLION products repaired



By 2030



**50%** fewer CO<sub>2</sub> emissions

from transportation and energy vs 2019



of leadership positions held by women vs 24% in 2021

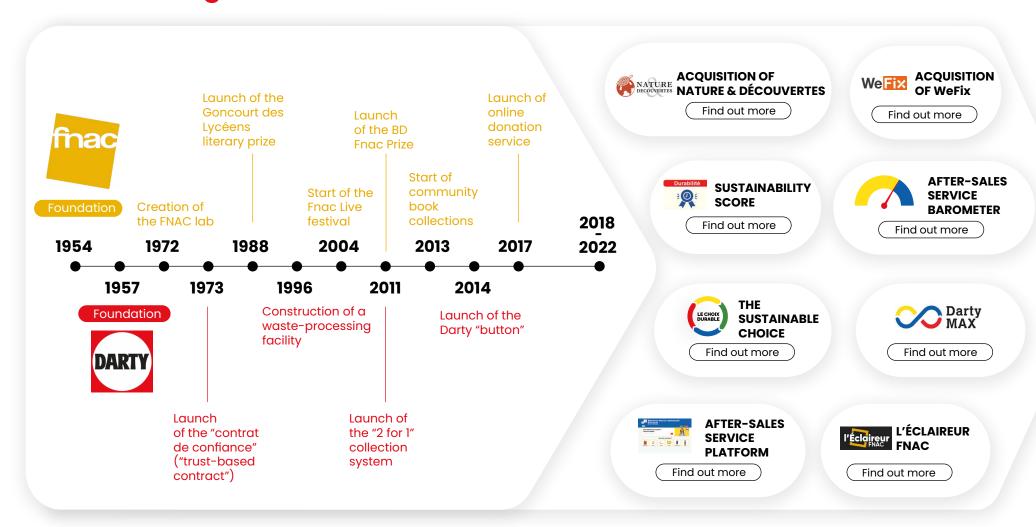


sustainability score vs 100 in 2019



# MORE THAN 60 YEARS OF COMMITMENT

### to addressing societal issues



### Governance dedicated to

# **INCORPORATING KEY CSR ISSUES**

### into strategy and day-to-day business



Several years ago, in order to promote a CSR culture and set effective actions in motion, we decided to adopt a decentralized approach to CSR governance – a decision that, we're proud to say, has paid off.

Under the auspices of the Board of Directors, which approves the CSR strategy, we co-ordinate specialised committees (Climate, Circular Economy, Sustainability) each overseen by one or more members of the Executive Committee, who monitor their progress according to the roadmaps drawn up by each of the operational departments on these key topics.

A CSR Committee meets on a regular basis, comprising CSR advisors from each of the business divisions, who were appointed recently as part of the Climate Fresk workshop. This governance system ensures the concrete integration of key CSR considerations by the business divisions, as evidenced by the diverse developmental projects launched in recent years and described in this report.

**Frédérique Giavarini** General Secretary of Fnac Darty and CEO of Nature & Découvertes

#### A NEW FORM OF MOTIVATIONAL GOVERNANCE THAT NOW INCLUDES:

- a CSR Committee within the Board of Directors that meets twice a year;
- a Climate Committee, Circular Economy Committee, and Sustainability Committee to support the strategic plan and give momentum to transformational projects;
- an Ethics Committee to oversee compliance with transparency, due diligence, and GDPR requirements;
- · designated CSR leads in each division and in each country;
- CSR objectives as criteria for the variable portion of the remuneration packages of the CEO and members of the Executive Committee, and of all other eligible executives.

#### THE 5 PILLARS OF OUR CSR STRATEGY,

reflecting the social, environmental, and ethical concerns of our stakeholders.









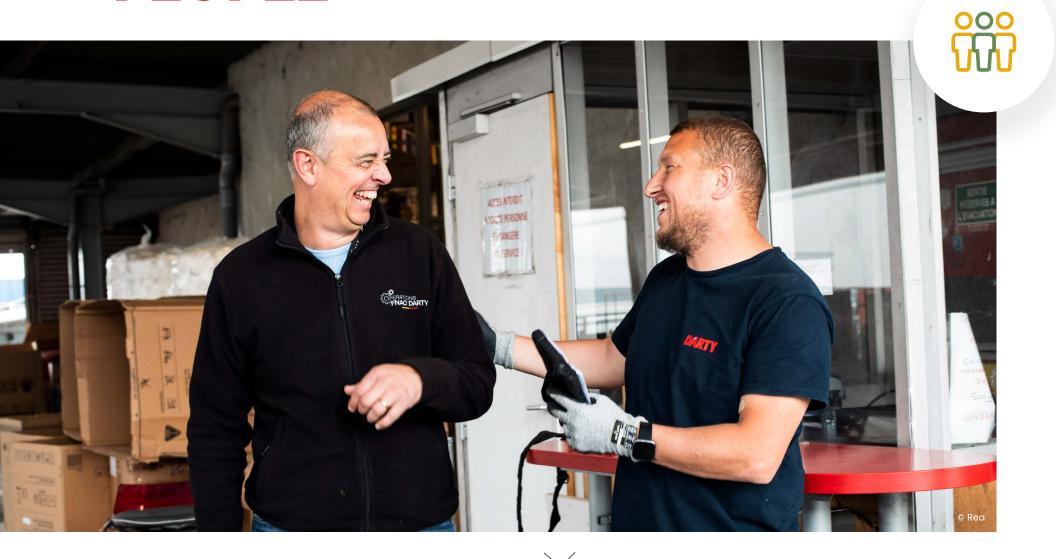






# DEVELOP OUR MOST VALUABLE ASSET:

# **PEOPLE**





### Develop our most valuable asset:

# **PEOPLE**

With more than 25,000 employees, 3 out of 4 of whom have direct contact with customers, social responsibility is a major focus of the Everyday plan and the Group's CSR strategy. Fnac Darty strives to provide a stimulating work environment for its employees, while helping them to develop their competencies, and guaranteeing equality of employment opportunities.

In 2021, several landmark agreements were negotiated and signed at Group level. The agreement on quality of life in the workplace and equal opportunities paves the way towards concrete progress on what are major issues for our employees, particularly in terms of gender equality. The establishment of a parity network demonstrates the strength of the company's commitment in this regard.

The agreement on the management of employment and professional development aims to enhance the employability of our staff and provide optimal support for their professional development by anticipating future requirements.

The success of the Everyday plan depends on our joint efforts, and we are investing in our human resources to attain these goals.



Tiffany Foucault Group HR Director

#### **KEY FIGURES END 2021**



25,600 employees, 19,000 of whom are in France



46% of the Executive Committee is composed of women



88% of all contracts were permanent in 2021



sickness absence





### **Promoting**

# **DIVERSITY AND EQUALITY IN BUSINESS**

Fnac Darty understands the power of diversity and has long demonstrated its commitment to promoting gender equality and changing attitudes towards disability through practical and proactive measures.

#### **KEY FIGURES END 2021**



39% are women



**88** out **OF 100** 

> score on the French Gender Equality Index



of employees have a disability

#### **GENDER EQUALITY**

BREAKING THROUGH THE GLASS CEILING

The Group has made shattering the "glass ceiling" that is an obstacle to professional diversity at the most senior levels one of its key priorities. Senior management is taking decisive action in this regard, by partnering with the Assises de la Parité (Foundations of Equality) event and by incorporating ambitious goals into the "Everyday" Strategic Plan. We are adapting our HR practices and seeking to remove the barriers - both conscious and unconscious to the advancement of women.

The in-house gender equality network Ex Aequo was established in 2021 to support women's careers. Through this network of around a hundred employees, both male and female, and with the support of HR, we are committed to raising the profile of women, training them, and creating opportunities for them to interact with their peers, in order to improve their access to senior roles.



**Isabelle Lenicolais** Director of HR Projects







### **Promoting**

# **DIVERSITY AND EQUALITY IN BUSINESS**





#### **AGREEMENT ON QUALITY** OF LIFE AND GENDER **EQUALITY AT WORK**

This is the first agreement to be signed at Group level on implementing gender equality.

The measures set out in the agreement aim to combat gender stereotyping in recruitment and to close potential pay gaps, in particular.

#### PROMOTING THE EMPLOYMENT

OF PEOPLE WITH DISABILITIES

The Disability Unit was set up in 2021, comprising advisors in the field working to implement action plans to raise employee awareness and increase disabled workers' understanding of their rights. It should also help to find new ways to step up the recruitment of people with disabilities within each legal entity.



Historically, the Group – a signatory of the Diversity Charter – has always been firmly committed to promoting diversity, combating the stereotyping that leads to discrimination, and taking practical action to incorporate different employee profiles.

A good example is the disability policy, on the basis of which various actions are under way: awareness-raising and training for teams and managers, enhancing the visibility of disabled job applicants, and creating appropriate professional training programmes. Recruiting and training people with hearing impairment for customer service roles in stores (at checkout, in sales, logistics, and after-sales) is just one practical way in which we are putting these commitments into action.

Florence Maurice Diversity and Quality of Life at Work Manager



Fnac Darty has earned recognition for its integration of deaf and hearing-impaired people in the workplace by winning the 2021 Inclusion Surdité Prize, awarded by the Fondation pour l'Audition.

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## **FOSTERING COMMITMENT**

### and unleashing every employee's potential

Employee commitment is key to the success of our Strategic Plan. Consequently, the Group is committed to changing its organisational methods in order to offer its employees a stimulating work environment and a vibrant and shared corporate culture.



"All Leaders!" is a new set of operating principles based on responsibility, audacity, a performance culture, trust, and caring. This program is the cornerstone of a new corporate culture aimed at unleashing the potential of every one of our employees.





#### **REMOTE-WORKING AGREEMENTS**

MORE FLEXIBILITY FOR EMPLOYEES

The COVID-19 health crisis has radically transformed working and management methods. Fnac Darty has therefore been keen to meet the expectations of its employees and take account of their need to strike a satisfactory work-life balance. To this end, numerous agreements have been concluded in order to give them the opportunity to work from home several days a week.



The quality-of-life-at-work agreement includes new measures for employees who are parents, seniors or caregivers for loved ones with disabilities. These employees can now benefit from additional adaptations to their working time, and, in some cases, "solidarity days".







### **Developing**

# **SKILLS AND EMPLOYABILITY**

As a responsible employer, Fnac Darty has made performance, competencies, and professional development the focus of its "Everyday" Strategic Plan in order to ensure the employability and personal fulfilment of its employees in their careers, but also to keep improving its responses to its customers' needs.



#### **KEY FIGURES END** 2021



of employees trained, 56% face to face



5 HRS

of training per employee trained



classes conducted to prepare unemployed people for employment as delivery drivers, kitchen equipment installers, and technicians.

#### AN ACADEMY AT THE SERVICE

OF THE STRATEGIC PLAN



Fnac Darty is investing and innovating in training via its Academy. Working in support of the Group's new strategic thrusts, The Academy was awarded the Qualiopi label in 2021 – a quality quarantee that also enables it to provide external training programmes.

Fnac Darty has chosen to insource the majority of its training programmes, in order to meet the competency requirements and the myriad specific needs of our business lines. We are investing heavily in training after-sales technicians, who are in short supply but play a key role in supporting the rapid development of the repair service. The same goes for the training of our salespersons, who are now benefiting from a bespoke 5-year programme covering the period from novice to expert. This personalised program sets us apart from the competition, inspires commitment among our employees, and prepares them to hit the ground running in their jobs, which also means that they are more likely to stay with us.



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### **Developing**

# **SKILLS AND EMPLOYABILITY**

The Academy is particularly focused on the Group's need to recruit technicians: in 2021, it ran 18 classes for future technicians, in partnership with apprentice training centres.



To support the rapid development of the repair service offered by Darty Max, the Group uses the Tech Academy to recruit and train future aftersales technicians, in partnership with apprentice training centres. This undertaking also has a social aspect, in that the Tech Academy recruits people excluded from the workplace (jobseekers, refugees, disadvantaged young people, etc.). It also helps to promote local economic development by creating permanent jobs across all regions of France.



An agreement on job and career management ("Gestion des Emplois et des Parcours Professionnels") was signed in early 2022 with a view to encouraging employees working in professions hit by job losses to retrain for careers in sectors with high recruitment needs. A Mobility Committee is overseeing the establishment of "mobility hubs", which enable employees to try out a new profession, in particular by taking part in a "Live My Life" programme.



#### **ENSURING** THE HEALTH AND SAFETY of our employees

The health and safety of our employees is a major concern - not only because of the pandemic but also due to the risks inherent to certain physically demanding posts. We are rolling out an extensive action plan to step up our safety training programmes. In 2021, all operations managers received 24 hours of risk management training, which will be rolled out to supervisors in 2022.





Nearly 500 apprentices have already passed through the doors of the Tech Academy since it opened in 2019!

# PROMOTE SUSTAINABLE CONSUMPTION AND AN EDUCATED CHOICE

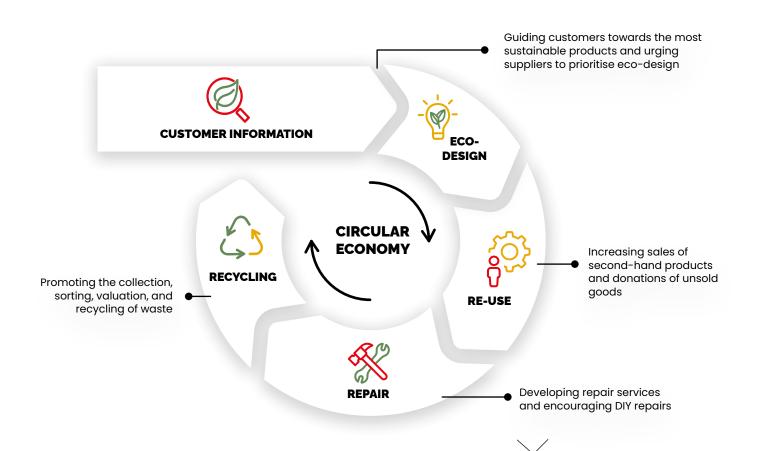




### Promote sustainable consumption and an

# **EDUCATED CHOICE**

As underlined by the Group's "Everyday" Strategic Plan, our commitment to sustainable consumption and making educated choice is our raison d'être. We have set ourselves various goals, with a view to positioning ourselves as the sustainability leader in the retail industry by supporting our customers who wish to consume more responsibly, reducing our impact on the climate, and developing growth drivers such as our repair and second life services.



By making sustainability a priority for the coming years, we are fulfilling a mission that is embedded in our brands' DNA, i.e. offering our customers the opportunity to make educated choice and extend the life of their products. Although this is our response to the high expectations expressed by our customers, it is also an effective way to reduce the environmental impacts of our business model. In addition, we are committed to offering more reliable and repairable products, and, therefore, to expanding our offerings. Our teams manage their ranges based on the sustainability score of each product and do not shy away from urging suppliers to prioritise ecodesign principles. The "Choix Durable" ("Sustainable Choice") logo applied to the products with the best scores by Darty and, since 2021, by Fnac, clearly demonstrates our commitment in this regard to our customers.

**Julien Peyraffite** Commercial Director for Fnac Darty



# **HELPING OUR CLIENTS**

### become more responsible consumers



#### THE SUSTAINABILITY SCORE

AS AN INDICATOR OF RELIABILITY AND REPAIRABILITY

For each model featured in our range, we calculate a sustainability score based on reliability (failure rate) and repairability (availability of spare parts). By weighting this against the volume of each product sold, a category score can be obtained, which product managers can use to improve their range.

At Group level, the overall score exceeded 100 in 2019, reached 111 in 2021, and is forecast in the Strategic Plan to reach 135 by 2025.

#### THE 4TH AFTER-SALES SERVICE BAROMETER.

the sustainability champions podium



For the fourth year, the Group analysed more than 700,000 aftersales service call-outs and the responses of more than 40,000 customers, in order to share littleknown information with the public about the life spans of domestic electrical and technical appliances and why they break down. The After-Sales Service Barometer enables a winners' podium of the most sustainable brands to be published, based on the SUSTAINABILITY SCORE developed by Fnac Darty. This survey is a powerful aid for negotiating with suppliers and urging them to design their products in an eco-friendly manner.

Find out more

#### THE "SUSTAINABLE **CHOICE**"

to help customers make the right decision



Fnac Darty uses the sustainability score to highlight the most reliable and repairable products by applying a clear and objective logo stating they are the "Le choix durable". In 2021, the logo, which was launched by Darty, was extended to Fnac.

Find out more



Almost "Sustainable Choice"





# **HELPING OUR CLIENTS**

### become more responsible consumers

#### "INFORMED DELIVERY"

**HELPING CUSTOMERS** UNDERSTAND THE IMPACTS OF THE VARIOUS DELIVERY **OPTIONS** 

Did you know that transporting packages for collection in-store produces, on average, 70%\* less CO, than delivering them to customers' homes?

The various delivery options, from home delivery to in-store collection and pickup points, all have different environmental impacts. To raise our online customers' awareness. we decided to publicise the carbon footprint of the different delivery options we offer by providing information throughout the entire online purchase process.

Not wishing to ignore the impact of customer travel, the Group also provides information on customers' own journeys thanks to an ecocalculator developed by ADEME\*\*.

Find out more

\* Group's own calculation, validated by an independent third party.

\*\* The French Agency for Ecological Transition



#### SIGNATURE OF THE CHARTER OF **COMMITMENTS**

FOR REDUCING THE **ENVIRONMENTAL IMPACT** OF E-COMMERCE

In 2021, Fnac Darty played an active part in developing a charter of commitments alongside other parties involved in e-commerce and under the stewardship of the Ministry of Ecological Transition and the Federation of E-commerce and Distance Selling (FEVAD). We are committed to providing information for our customers. reducing the amount of packaging we use, and ensuring that our logistics activities respect the environment.

#### PROVIDING INDEPENDENT **INFORMATION: THE FOUNDING** PURPOSE OF THE FNAC LAB



The Fnac lab is a unique entity that has

been at the service of Fnac customers since 1972. Each year, the experts at the lab use its range of sophisticated measurement and analysis systems

to test the technical performance of hundreds of new electronics products. The lab's objective scientific methods are recognized by leading brands, which regularly use its services to assess their prototypes.



### **ESTIMEZ L'IMPACT DE VOTRE LIVRAISON**

On vous donne les clés pour tout comprendre.





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# **Promoting** REPAIR

Repair is central to our "Everyday" Strategic Plan, since it is so crucial to extending the life span of technical and electrical appliances and thereby reducing their impact on the environment. It also helps create jobs at the local level and offers consumers more environmentally friendly and economical alternatives.

In 2021, 2.1 million products were repaired by our after-sales service technicians in the home, the recall centre or the workshop, saving 180,000 tons of CO2 emissions\*!

# **EVERYDAY 2025 GOAL 2.5** million products

repaired in 2025 (2.1 million in 2021)

2 million subscribers by 2025 (around 500,000 in 2021)

#### DARTY MAX, MAKING REPAIRS EASIER



When it comes to repairs, the price of the labour and spare parts is a major obstacle. With this in mind, in 2019, the Group used its after-sales service as the basis for the launch of "Darty Max", the first repair subscription service. In just 3 years, it has become a flagship service, through which all domestic and high-tech appliances - whether new or old, bought at Darty

or elsewhere – can be easily repaired, with no limits on the number of appliances or breakdowns. In 2021, the Group decided to extend the service to the entire home, covering small domestic appliances, home cinema TVs, and audio, photographic, and multimedia devices. Customers can choose one of three different plans covering around 4 million products! The service covers the cost of labour and spare parts, and is now unlimited: we promise to repair appliances of any age, until the time when spare parts are no longer available.

More than half of all breakdowns are due to lack of maintenance or improper use of appliances. At Fnac Darty, our 2,500 technicians are skilled at repairs - they fixed more than 2 million products in 2021 - but also at preventing breakdowns. In 2022, we made further improvements to Darty Max by adding a preventive maintenance service in the form of a video call whereby each customer is contacted once a year by our after-sales service experts, who check the condition of each of the products in the home and review the maintenance required. This is yet another example of our commitment to extending the life span of products and helping our customers consume more sustainably.

Régis Koenig Director of Customer Services and Sustainability



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# **Promoting REPAIR**

#### **ENCOURAGING**

DIY repairs via the after-sales service platform!



Since more than half of all breakdowns are due to maintenance or usage issues, the "After-Sales Service Community" offers almost a thousand maintenance and repair tutorials, together with more than 600,000 questions and answers from internet users. Over time, the platform has become a veritable "Wikipedia of repair" and Darty's after-sales service experts regularly join in to share their knowledge, news, and advice.

10 million users sought repair solutions in 2021.

Find out more



WeFix, a subsidiary of Fnac Darty, becomes the first "THIRD-PARTY REPAIRER" **FOR APPLE** 

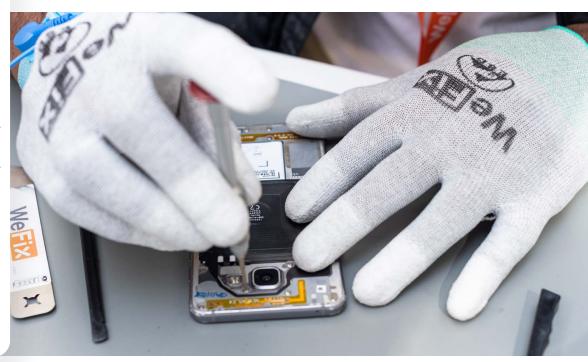
Already the leading reseller of Apple products in France, Fnac Darty through the acquisition of WeFix - is now the approved third-party repairer for Apple products. This agreement, which covers repairs and access to Apple spare parts, is a game-changer for WeFix and its 150 points of sale in France, as well as a quality guarantee for its customers, who can retain their Apple guarantee, including if they need to exchange the item. It is also a major advance in terms of repairing and extending the life span of thousands of smartphones, in line with the goals of the "Everyday" Strategic Plan.

#### THE WEFIX ADVANTAGE, EXTENDING THE LIFE OF SMARTPHONES



Every year, WeFix repairs and reconditions more and more smartphones. Our subsidiary can now be found in more than 140 "corners" throughout France and Belgium. WeFix technicians repaired more than 200,000 smartphones in 2021, saving around 30 tonnes of

electronic waste and 5,000 tonnes in CO<sub>2</sub> emissions\*.



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# **GIVING PRODUCTS A SECOND LIFE**

### and optimising waste management

For Fnac Darty, a key focus of the transition to a circular economy is developing its "second-life" activities: reconditioning, second-hand goods, donations, etc. The Second Life element of the business is growing rapidly and shows no signs of slowing down any time soon.

#### 50 % GROWTH

FOR THE FNAC AND DARTY SECOND LIFE BRANDS IN 2021



The Second Life Department was incorporated into the Sales Department in 2021, illustrating our willingness to offer second-hand products alongside new ones. Moreover, this is one of the priorities set out in the Everyday plan.

Our goal is to develop an offering that optimises internal product flows without the need for dumping or stockpiling, while also offering our customers an alternative to buying new products, which meets the same standards of quality, trust, and service for which our brands are known, in terms of the associated delivery, installation, and repair services, for example.



#### A LONG-STANDING **PARTNERSHIP**

WITH FNVIF

Every year, more than a third of the tonnage of WEEE\* collected by Fnac and Darty France is sent to the social integration enterprise Envie, which sorts, cleans, repairs, and conditions items for resale in its network of stores. In 2021, Envie gave a second life to more than 17,000 tonnes of appliances, while also getting people back into work.



#### **OPTIMIZED MANAGEMENT** of waste

Fnac Darty's logistics activities and collection of used appliances during deliveries or in store generate significant quantities of waste packaging and waste electrical and electronic equipment.

Since 2021, to improve waste management and recovery, Fnac Darty has used tracking and enhancement software to guide environmental performance on a site-by-site basis. In 18 months, the waste recovery rate increased from 50% to 64%.



In 2021, more than 46,000 tonnes of WEEE were collected and sent for recycling, thanks in particular to Darty's 2 for 1 collection system.



<sup>\*</sup> Waste Electrical and Electronic Equipment



### **Nature & Découvertes**

## AN EVEN MORE ECO-RESPONSIBLE APPROACH

#### THE SUSTAINABLE INNOVATION DIVISION

THE BRAND'S CHAMPION OF ECO-DESIGN

The Sustainable Innovation Division was created in 2020 and works with suppliers, product and marketing managers to continuously improve the product offering and thus mitigate the environmental impact of the products, from design through to marketing. It operates according to a list of failurepoint criteria and now constantly monitors the reduction in productrelated CO<sub>2</sub> emissions.

In 2021, more than 1,500 new products were reviewed and all currently listed products are now checked against the failure-point criteria.



Find out more



27 failure-point criteria relating to the wood, minerals, cosmetics, and textiles used, are applied to our products prior to their listing. More than 90% of food products are organic.

#### Wood

By using wood as the main material in this baby walker, we are offering children a sustainable item that can be passed down from generation to aeneration.

#### Even more wood!

In this new version, we've replaced all the small plastic activity elements with wood to reduce its carbon footprint. Result: -9 % kg CO<sub>2</sub>-eq.

#### **FSC-certified wood**

We have also obtained the guarantee that the wood used comes from controlled sources and forests that are protected from all forms of overexploitation, and that the rights of the people who work in or depend on them are respected.

#### Optimized packaging

We have adjusted the size of the box to the product as closely as possible. The padding is made from cardboard, and the packets from paper. All of this packaging contains 70% recycled materials and is 100% recyclable.



Behind the design and development of Nature & Découvertes products lies an invitation to adopt a more sustainable lifestyle that is in tune with nature. As a B Corp-certified company since 2015, our company is committed to a continuous improvement approach, driven by our Sustainable Innovation Division. Sustainable purchasing criteria laid down in a table of requirements, the sourcing of certified materials, optimised packaging, and repairable and circular products are just some of the areas to which we are committed and in which all of our employees are participating.

> Valérie Virassamy Director of Sustainable Innovation

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# Terre d'Oc

### a small business with a big mission

Driven by the determination of a team of women, Terre d'Oc has spent more than 25 years striving to promote respect for the planet and its inhabitants, with a special emphasis on genuinely fair trade, the best organic products, and a more respectful world. Since its creation in the Haute-Provence region of France, this Nature & Découvertes subsidiary has adopted a responsible approach at every stage in the development of its products. From its tea, candles and perfumes to its blends of essential oils, the Terre D'Oc teams design and manufacture beautiful, high-quality and healthy well-being products without harming the environment.

Find out more



100% of our teas, infusions, cosmetics, essential oils, and room fragrances are organic or natural.









Laure Vincent Director-general and Vincent Cavailles President

In 2021, Terre d'Oc became a "mission-oriented company" (entreprise à mission), by integrating its social and environmental objectives into the company's articles of association.

#### Raison d'être and commitment 1

Design and manufacture beautiful, high-quality and healthy well-being products according to an approach that protects natural resources and biodiversity, while also developing organic and fair-trade sectors, and highlighting the work of women all over the world.

#### Commitment 2

Promote bio-ethical sourcing using local sectors, and prioritising the work of small producers in France and worldwide.

#### Commitment 3

Protect our planet by reducing our carbon footprint, using recycled materials where possible, and recycling our waste.

#### Commitment 4

Showcase the skills and work of women in France and worldwide, and support their projects.

#### Commitment 5

Prioritise our employees' well-being by providing a pleasant work environment, a satisfactory work-life balance, and opportunities to develop their competencies.

### **REDUCING THE IMPACT**

OF OUR ACTIVITIES ON THE CLIMATE

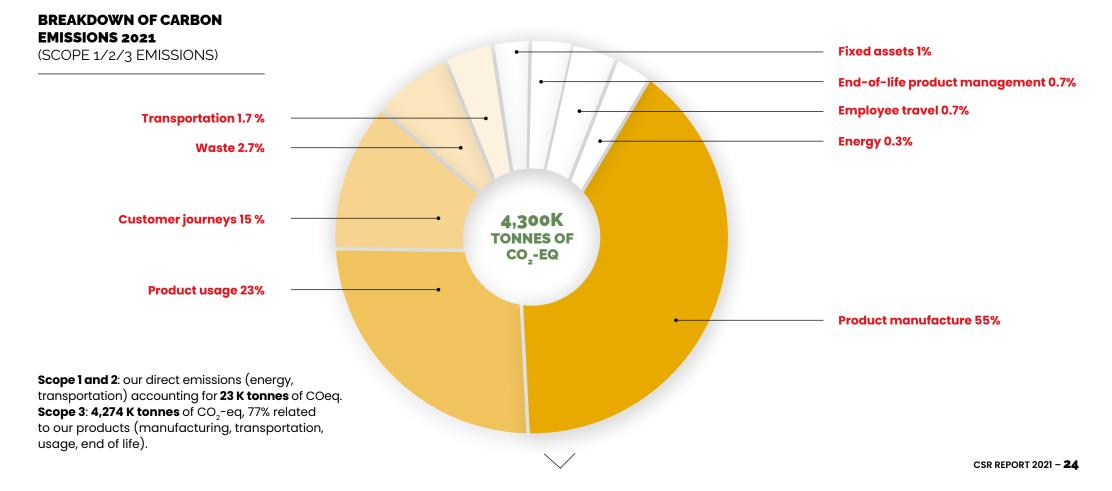




# **OUR CARBON FOOTPRINT**

2021

In the coming years, climate change is set to become one of the main causes of societal upheaval. With this in mind, the Group is accelerating the rollout of its climate strategy, in order to combat global warming but also to help us prepare for its consequences.



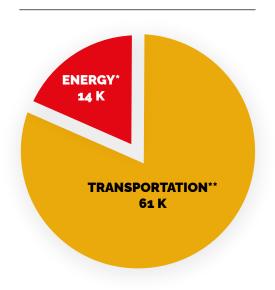




### A REDUCTION TARGET

### in line with the Paris Agreement

#### **OUR DIRECT EMISSIONS** (TONNES OF CO<sub>2</sub> -EQ)



In response to this key challenge, Fnac Darty has significantly reinforced its governance and emissionmanagement systems. These issues are assessed and managed by a Climate Committee, which meets 4 times a year to examine and develop action plans and monitor the performance of the various operational subsidiaries. Upskilling is well underway in each subsidiary and we are proud of the projects that we have launched over the last two years, from purchasing electricity from renewable sources to reducing our transport-related emissions.

Vincent Gufflet Director of Services and Operations



our CO<sub>2</sub>-eq emissions by 2030 (vs 2019) from transportation\* and site energy use\*\*

**EVERYDAY** 2025 GOAL

Fnac Darty's efforts to combat global warming have been commended by the CDP, which has awarded the Group an "A" rating (compared to the "B" rating for the industry as a whole). This achievement has enabled the Group to join the "Leadership" category.



<sup>\*\*</sup> Scope 1 and 3: transportation from depot to store, last-mile delivery, parcel shipping, after-sales service workshop flows, work journeys

**OUR COMMITMENTS** 

Human capital • Sustainable consumption • Climate protection • Local development & culture • Business ethics



## REDUCING THE IMPACT

### of our energy consumption

To reduce our energy consumption, we have installed LED lighting in our stores and warehouses, and implemented a Centralized Technical Management system on our sites. In addition, to achieve our goal of reducing CO, emissions, the Group is increasingly turning towards renewable energy sources to meet its electricity and gas needs.

#### **KEY FIGURES END 2021**



energy consumption vs 2019



of electricity from renewable sources in 2021 (+25% vs 2020)



purchasing contracts concluded directly with renewable energy suppliers in France

#### **NEW SOLAR FARM**

A PROJECT COMBINING GREEN ENERGY PRODUCTION AND BIODIVERSITY PROTECTION

In early 2022, the Group signed an agreement to purchase electricity from a future solar panel farm in the Central-Val de Loire region of France. This farm, to be operated by Valeco, is due to commence operations in 2023 and will meet more than 16% of the annual energy requirements of Fnac Darty sites in France.

For our green energy, we have opted to conclude contracts directly with producers. This contract is the third of this type and, thanks to our longterm commitment to purchasing production, it marks another milestone with the creation of a new solar farm. Not settling for greening our own energy mix, we are also helping to make France's energy mix greener too!

Through this project, Fnac Darty and Valeco have been particularly mindful of the need to safeguard biodiversity, as illustrated by the creation of a beekeeping activity, the maintenance of a pasture for sheep, and the planting hedgerows consisting of local species.



**Géraldine Olivier Group CSR Director** 







## REDUCING THE IMPACT

### of our goods transportation

Every day, thousands of products are moved between our depots, stores, and customers. To limit the impacts of this transportation on air quality and on global warming, the Group is focusing on various measures, from optimizing transportation plans and truck loading to decarbonizing our vehicle fleet and developing multimodal transportation.

#### **KEY FIGURES END 2021**



CO. emissions per pallet transported\* in 2021 vs 2019



CO<sub>2</sub> emissions per after-sales service callout\*\* in 2021 vs 2019



70%

reduction in CO<sub>2</sub> emissions for a delivery to an in-store collection point compared to a home delivery\*\*\*

Our goal of reducing  ${\rm CO_2}$  emissions by 50% marks a fundamental change, mobilising all the stakeholders in our sector and requiring us to make longterm commitments. We have been working on this issue since 2017 and to build on the existing momentum, we have decided to embrace the "Fret 21" initiative, led by ADEME (the French Environment and Energy Transition Agency).

As part of this initiative, we are committed to reducing our CO, emissions by 10% in 3 years, by focusing on 4 courses of action:

- converting to cleaner transport models: we have started using biogas-powered trucks in the Ile-de-France region and are committed to converting to biofuels in this region;
- providing clearer delivery information, to encourage clients to opt for in-store collection, which generates fewer emissions than home deliveries;
- optimising the filling of book containers;
- choosing to work with transportation providers which adopt environmentally responsible approaches.

Addressing the environmental emergency is a joint undertaking that requires us to rethink our business lines and to innovate, which makes it an exciting and meaningful challenge for our teams.





<sup>\*\*</sup> Group-wide (Darty and Vanden Borre), not including spare parts





<sup>\*\*\*</sup> On average, not including customer journeys (Fnac and Darty France only)



# **MEASURING AND MANAGING**

### the most indirect impacts of our activities

In addition to transportation and the energy consumed by our sites, our business generates indirect impacts including the journeys made by our customers and staff, the use of web servers and, above all, the manufacture and use of the products we sell. Fnac Darty now measures /these impacts with a view to reducing or preventing them.

#### **KEY FIGURES END** 2021



3 MILLION

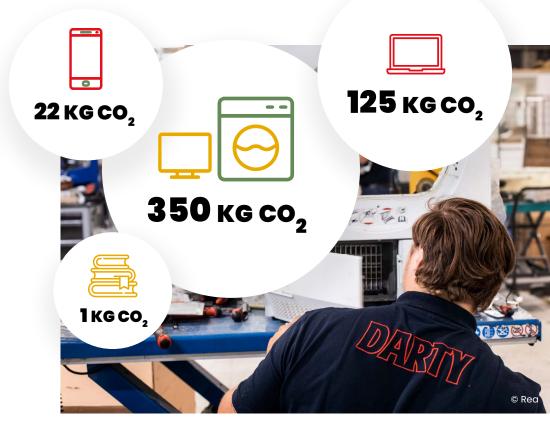
tonnes of CO.: the carbon footprint of the products sold by the Group in 2021\*



tonnes of CO, are related to the manufacturing phase

#### **DID YOU KNOW?**

Overall, a product sold by Fnac, Darty, and Nature & Découvertes emits an average 26 kg of CO<sub>2</sub> throughout its entire life cycle: manufacture, transportation, use, end of life. But this figure conceals some major disparities.



<sup>\*</sup> Manufacture, transportation, use, and end of life of products



# **MEASURING AND MANAGING**

### the most indirect impacts of our activities

By placing product sustainability at the very heart of our strategic orientations, the "Everyday" plan shows just how important it is to reduce the impact of the most carbon-intensive products, i.e. household electrical and technical appliances.

We have also calculated the benefit of repairs: by extending the life of faulty products, our after-sales service technicians eliminate the need to replace products prematurely. Based on the volumes of products repaired in the workshop, the home, and in our recall centres, it is estimated that the after-sales service saved 180,000 tons of carbon emissions in 2021. This result has encouraged us to speed up the development of our repair service!

Mehdi Dahmani Director of After-Sales Service Operations



#### **GREEN IT** Fnac Darty is on the case!

Digital technology now accounts for 4% of greenhouse gas emissions worldwide.\* Under the auspices of the Climate Committee, the Group launched its "Green IT" approach in 2021. The IT department has calculated the impact of data storage, SaaS partners, IT equipment, and networking, and developed action plans to reduce this impact. This will involve raising teams' awareness, extending equipment life spans, and using data storage providers who also take environmental considerations seriously.

\* Source The Shift Project, 2019



# CONTRIBUTE

# TO THE ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT OF REGIONS





### **Contributing to**

# **LOCAL AND REGIONAL DEVELOPMENT**

Through its omnichannel model, Fnac Darty offers a unique buying experience to customers all over Europe, thanks to its extensive geographical network. This means that the Group can make a practical contribution to the economic activity of medium-sized towns by creating jobs, improving access to culture, and sharing its solidarity policy with customers at the local level.





#### **KEY FIGURES END 2021**



stores opened in 2021



stores by the end of 2021, including 390 franchises



strategic partnership with Manor, the Swiss department-store group



#### **OPENING STORES**

and contributing to the local economy, social, and cultural life

A store means permanent local jobs for our regions!

Our local network helps boost the economy, social, and cultural life of the areas in which we are present. By paying our taxes where we create value, we are also helping to fund public services something we are very proud to do!



## **ACCESS TO CULTURE**

### for all!

Fnac and culture are indissociable. For more than 40 years, the company has striven to make culture accessible and applicable to all, by organising free cultural events in local stores, staging national events such as Fnac Live (a free, three-day music festival open to all), and promoting highly sought-after literary awards: the Prix Goncourt des Lycéens, the Prix Romans Fnac, and the BD Fnac France Inter prize.

#### **KEY FIGURES END** 2021



5,700

free events organized in Fnac stores worldwide



in France



Ist

music seller in France

book seller

in France



Fnac's cultural activities are key pillars of the Fnac Darty CSR strategy and the sheer size of its network of stores facilitates their expression at both local and national levels, making them more accessible to the public and contributing to cultural development at the regional level. Our major annual events, like the Prix Goncourt des Lycéens, the Prix Roman Fnac, the BD Fnac France Inter Prize, and Fnac Live, attract thousands of spectators every year and are high points of the year for many of our customers, authors, and partner artists.

We are also pursuing our ambitions in this regard online, with the launch of L'Éclaireur Fnac. This new recommendations website is further evidence of the Group's support for artistic endeavours and cultural diversity, and hosts a multitude of contents and formats.

> Cécile Trunet-Favre Director of Communication



#### L'ÉCLAIREUR FNAC facilitating educated choice

L'Éclaireur Enac is a recommendations website launched in 2021. Through this channel, we aim to provide comprehensive, factual, and fairminded information in the form of news, tests and reviews, trend analyses, interviews, and reports. We constantly aim to spark our customers' curiosity and enable them to form objective opinions about the subjects we cover. L'Éclaireur now also hosts all the major digital cultural events.

Already attracting more than 500,000 visitors a month!

Find out more

**OUR COMMITMENTS** 

Human capital • Sustainable consumption • Climate protection • Local development & culture • Business ethics



### **Carrying out**

# **SOLIDARITY-BASED ACTIONS**

Driven by its societal and cultural responsibilities, Fnac Darty pursues a proactive policy of solidarityand sponsorship-based actions. It develops ties with local associations, and makes it easier for Fnac and Nature & Découvertes customers to make donations in stores via the option to round up purchases at the checkout.



SUPPORTING LOCAL NATURE CONSERVATION **PROJECTS** 

**THE NATURE &** 

**DÉCOUVERTES** 

**FOUNDATION:** 

Created in 1994, the Nature & Découvertes Foundation has the mission to initiate and implement associative projects for the protection of biodiversity and nature education. The projects supported range from a non-profit plant nursery to participatory science projects, as well as mobilisation campaigns and activities to promote species conservation.

Find out more







In 2021, Fnac Darty created a solidarityoriented platform on which all of its employees can participate.

The Wenabi platform puts people who want to volunteer on an ad hoc basis (e.g. by helping the homeless, mentoring vulnerable young people) in touch with associations looking for volunteers. The platform also puts the spotlight on our long-term partners Télémaque and Sport dans la Ville, both of which work with young people.

**Almost 200 volunteering missions** completed since January!

Find out more



associations such as Agence du Don en Nature and France Terre d'Asile, compared to 2020





# ACTING ETHICALLY THROUGHOUT OUR VALUE CHAIN





## **PROMOTING**

### **business ETHICS**

Through our compliance with the Sapin II Anti-Corruption Law, the GDPR, and due diligence obligations, we are committed to acting with integrity, respect, and transparency in the conduct of our activities.

The Group is vigilant and seeks to act ethically in all circumstances. Óur Ethical Standards precisely define our commitments wherever we are present, with the aid of local ethics officers, and we make sure that our executive directors. Executive Committee, management boards, and all our employees understand and disseminate these commitments. These documents are an integral part of the induction booklet for new Group employees, all of whom regularly receive further information and training on these subjects. Compliance issues are also systematically incorporated into our audits. We can rely on a new secure alert platform and our robust governance systems, particularly the Ethics Committee, to

help us monitor and improve our ethics procedures.

Bruno Frésart Director of Internal Audits and Compliance Our policies designed to combat corruption, safeguard personal data, and ensure responsible purchasing rely on robust Ethical Standards, comprising:

- a Business Code of Conduct
- a Gifts and Benefits Charter
- a Charter for the Prevention of Conflicts of Interest, drawn up in 2021
- AN OUTSOURCED ETHICAL ALERT **PLATFORM**



#### **AN ETHICS ALERT**

platform accessible to all.

### Whistle B The Whistle B alert platform

The Whistle B was launched

in 2021 to bolster the existing alert mechanism. This outsourced platform, which has been translated into several languages, allows employees, but also third parties, to submit concerns in a confidential and secure manner regarding potential wrongdoing or conduct contrary to the internal charters, policies and rules of Fnac Darty.

Find out more





# **PROTECTING**

### personal data

#### **PROTECTING PERSONAL DATA:**

DEDICATED GOVERNANCE AND STRUCTURAL MEASURES.

With millions of visitors to our commercial websites each month and close to 10 million subscribers, personal data protection is a priority for Fnac Darty.

Governance is ensured by a dedicated, four-person team. The subsidiaries have locally appointed data protection officers and each of the major departments has its own GDPR officers.

Several action plans are under way. In addition to a cookies manager, a "preference centre" was launched on darty.com, to offer customers greater transparency and the ability to manage their personal data more effectively. This preference centre will be added to fnac.com in 2023.

A "Privacy by Design" procedure has also been put in place, to ensure compliance with the GDPR from the project design phase onwards.

Lastly, compulsory training on data protection issues continues to be delivered to all employees, with a particular focus on customer service staff, who have been specially trained in handling customers' requests to exercise their data protection rights.





# **PURSUING A RESPONSIBLE**

### indirect purchasing policy



#### **ENSURING FISCAL** RESPONSIBILITY

Fnac Darty is committed to paying taxes in the countries in which it creates value, which represent a significant source of revenue for local and national authorities, particularly in France. Moreover, the Group undertakes to refrain from using aggressive tax optimisation or avoidance schemes.

€122 million paid in France in 2021.

#### A QUALITY-LABELLED INDIRECT

**PURCHASING POLICY** 

Mindful of the environmental and social impacts of its indirect purchases, Fnac Darty has adopted a global performance approach and trained all its buyers in responsible purchasing practices.

Through this approach, we undertake to operate as a responsible contractor, identify the specific risks applying to our different purchasing categories, and urge our suppliers to develop their own CSR approaches. These ambitions were recognised in early 2022 by the French Minstry of the Economy and Finance, which awarded the Group the "Relations Fournisseurs et Achats Responsables" (Responsible Supplier Relations and Purchasing) label for a three-year period.

In 2022, we are forging ahead with the operational rollout of our responsible purchasing policy by launching action plans focused on the riskiest purchases and on implementing and monitoring indicators relating to the social aspects of the performance of outsourced labour services (cleaning, gardening, etc.). We are also working on improving our payment terms and strengthening our dialogue with our suppliers.

Finally, we want to make a practical contribution, via our purchases, to achieving the Group's goals in terms of reducing climate impacts, promoting sustainability, and developing eco-friendly product design.



Magali Félix Director of Indirect Purchasing



# **IDENTIFYING AND PREVENTING**

### social and environmental risks



#### **PREVENTING RISKS VIA**

A VIGILANCE PLAN

In 2018, the Group established a Vigilance Plan based on a regularly updated risk matrix that covers risks relating to serious human rights infringements, and damage to people's health, safety, and the environment. Its scope covers all the Group's activities, including those of its subsidiaries, suppliers and direct partners.

The most significant risks covered include activities relating to the manufacture of own-brand products in Asia, goods transportation, and independent vendors in our marketplaces.

These risks are subjects to action plans that are reviewed several times a year by the Ethics Committee and employee representatives, primarily in the form of an ad hoc working group composed of elected representatives from each country.

#### **RESULTS OF OUR PREVENTIVE ACTIONS**



94 of 195

factories were audited in 2021, 36 of them without warning, covering 27 checkpoints relating to ethics, health and safety, human rights, and the environment



+1,800 marketplace vendors tested and +500 delisted



### **RISK PREVENTION**

All operational managers trained in risk management and prevention

# **FNAC DARTY**