FNAC DARTY

COMMITTING TO PROVIDING AN EDUCATED CHOICE AND SUSTAINABLE CONSUMPTION

CSR REPORT 2022-2023







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

CONTENTS

THE GROUP

Message from the CEO	3
CSR at the heart of our "Everyday" Strategic Plan	4
More than 65 years of Commitment to addressing societal issues	5
Governance dedicated to incorporating key CSR issues into strategy and day-to-day business	6



PROMOTING SUSTAINABLE CONSUMPTION AND AN EDUCATED CHOICE



Promoting sustainable consumption and an educated choice	
Helping our clients become more responsible consumers	9
Promoting repair	10
Giving products a second life and optimising their end of life	12



REDUCING THE IMPACT OF OUR ACTIVITIES ON THE CLIMATE



Our carbon footprint in 2022	14
Reduction targets in line with the Paris Agreement	15
Reducing the impact of our energy consumption	16
Reducing the impact of our goods transportation	17
Measuring and managing the most indirect impacts of our activities	18

000	
w	

DEVELOP OUR MOST VALUABLE ASSET: PEOPLE

Our most valuable asset: people	
Capitalising on all our talent	21
Creating an inclusive and respectful work environment	22
Supporting the development of business lines	23
Attracting and retaining talent	24
Working conditions and risk prevention	25



ACTING ETHICALLY THROUGHOUT OUR VALUE CHAIN

Promoting business ethics	
Protecting the personal data of employees and customers	28
Pursuing a Responsible Indirect Purchasing Policy	
Identifying and preventing social and environmental risks	30



CONTRIBUTING TO THE ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT OF REGIONS

Access to culture for all!	32
Contributing to local and regional development	33
mplementing solidarity-based actions	34



FOSTERING CSR COMMITMENT WITHIN OUR SUBSIDIARIES

Nature & Découvertes becomes a "mission-driven " company	
The Sustainable Innovation Division	37
The Nature & Découvertes Foundation	38
The commitment of our European subsidiaries!	-

MESSAGE from the CEO

Just two years on from the inception of our "Everyday" Strategic Plan, we have stepped up our investment and efforts to support our customers' sustainable development transition. 2022 saw us repair 2.3 million products. On top of that, we developed our "second life" offering and launched new operations hubs for repairing products and giving them a second life. We implemented these initiatives at the same time as our action plan to reduce energy consumption. Our commitment to addressing societal and environmental issues is commended by non-financial rating agencies, and above all, reflects the relentless dedication of each and every one of our employees.

This report outlines the sheer scope of our actions, demonstrating how Fnac Darty is leading the way in responsible consumption and specialised retail as a proven standard-bearer of the ESG model.

> **Enrique Martinez CEO**





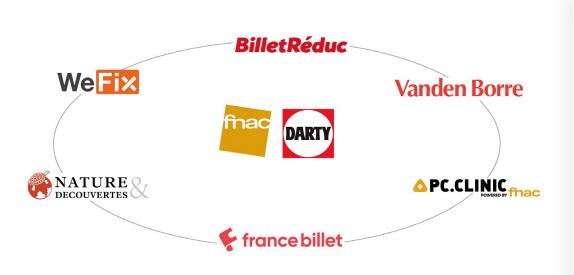
CSR TARGETS FOR KEY PERFORMANCE INDICATORS THE EVERYDAY			
STRATEGIC F		2019 (reference year)	2022
fewe	0% er co ₂ emissions from energy transportation by 2030	82 K tCO ₂ e	68 K tCO ₂ e -17%
D. 16.	5 MILLION ducts repaired 025	1.8 million	2.3 million
13	_	100	115
Dart	MILLION by Max scribers by 2025	0	800,000
of w	5% omen in dership Group roles by 2025	24.3%	30.3%

CSR AT THE HEART

of the "Everyday" 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' mounting concerns for society and the environment. The Group decided to place Corporate Social Responsibility (CSR) at the heart of "Everyday" – its new Strategic Plan – to adopt an approach that aligns with sustainable development and to cement its leader position as an eco-responsible retailer.

THE GROUP'S BRANDS





OUR RAISON D'ÊTRE

Committing to providing an educated choice and sustainable consumption.



KEY FIGURES END 2022

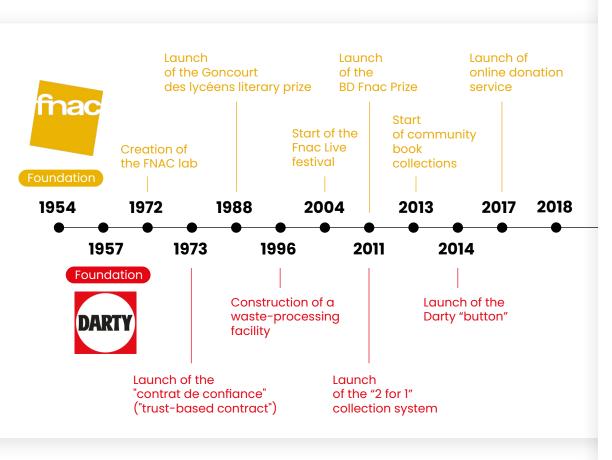


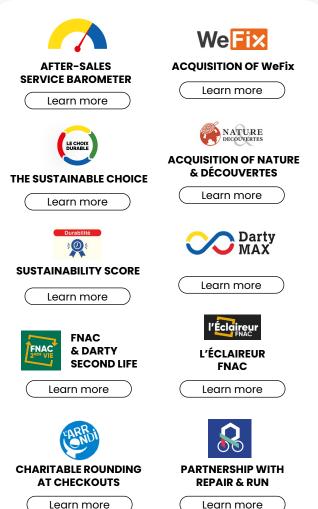




MORE THAN 65 YEARS OF COMMITMENT

to addressing societal issues





2023

Governance dedicated to

INCORPORATING KEY CSR ISSUES

into strategy and day-to-day business

In 2022, our goal was to rethink our CSR strategy by tackling stakeholder expectations head-on. We therefore held discussions with over 2,000 people, including employees, customers and suppliers. Drawing on this materiality analysis, we observed that the "sustainability" of the offering and support for decision-making were top priorities. What's more, energy performance and personal data protection were considered crucial. Thanks to our efforts, we accelerated the rollout of relevant initiatives and shifted focus to future Group-wide challenges such as biodiversity. As such, we leveraged our robust and decentralised governance model, which is structured into expert Climate, Circular Economy and Sustainability Committees that are collectively tasked with monitoring roadmaps to address these cornerstone issues. 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

MOTIVATIONAL GOVERNANCE, ENCOMPASSING:

- A CSR Committee within the Board of Directors that meets three times a year;
- A Climate Committee, Circular Economy Committee, and Sustainability Committee to support the strategic plan and propel 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,

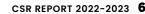
reflecting the social, environmental and ethical concerns of our stakeholders.





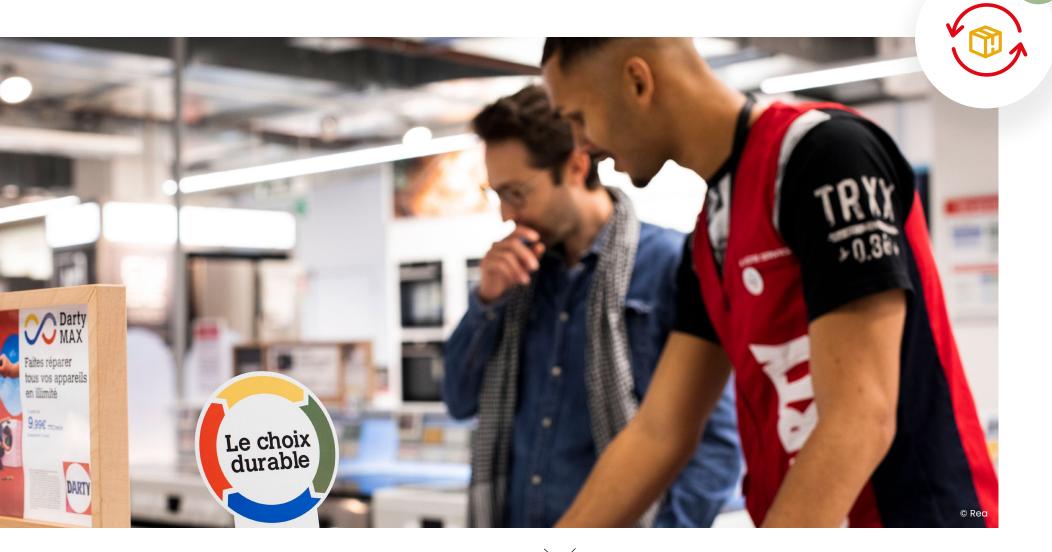
& CULTURE





PROMOTING SUSTAINABLE CONSUMPTION

AN EDUCATED CHOICE

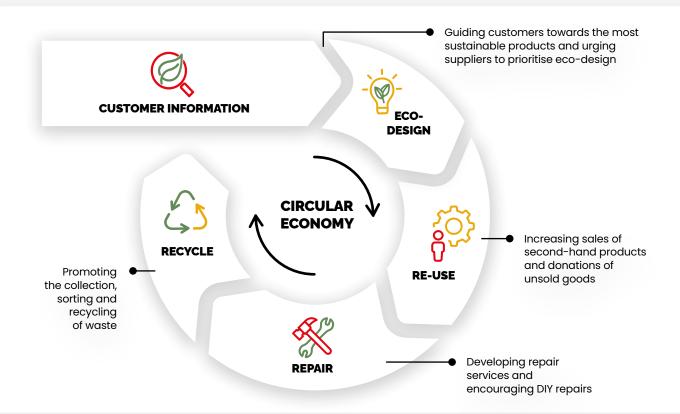




Promoting sustainable consumption

AND AN EDUCATED CHOICE

As underlined by the Group's "Everyday" Strategic Plan, our commitment to sustainable consumption and making an 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, shrinking our impact on the climate, and generating growth drivers such as our repair and second life services.



Sustainability is one of the priorities of the Everyday plan, and we are naturally stepping up our efforts through repairs, not to mention our offering, with more reliable, more repairable products and solutions guaranteeing a "second life" which take advantage of the same quality and service standards as our latest inventions. Our teams manage their ranges based on the sustainability score of each product and do not shy away from urging suppliers to improve availability and prices for spare parts as well as reporting the reasons for breakdowns. Because of this long and drawnout process, we are positioned to advise our customers on more sustainable products, which ultimately, curbs the environmental impact of our business model.

> Julien Peyraffite Commercial Director for Fnac Darty







HELPING OUR CUSTOMERS

become more responsible consumers

THE SUSTAINABILITY SCORE,

AS AN INDICATOR OF PRODUCT 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 or brand score can be obtained, which product managers can use to improve their range. Since 2022, Fnac Darty has factored a new criterion into this calculation, one which is key to making repairs more accessible - namely, the price of spare parts.

At the Group level, the overall sustainability score rose from 100 in 2019 to 115 in 2022, with a target to achieve 135 by 2025 as established under the Strategic Plan.

THE AFTER-SALES SERVICE BAROMETER.

the sustainability champions podium



In just five years, the After-Sales Service Barometer has become the go-to tool for assessing brand performance in terms of reliability and repairability. The tool actively supports customers in making educated choices and is pivotal in the way it encourages them to extend the life span of their products.

Learn more

THE "SUSTAINABLE CHOICE",

the right customer decisions



As the practical demonstration of customers' sustainability score, the "Sustainable Choice" label serves to highlight the most reliable, repairable and ecofriendly products.

Learn more



Almost

Sustainable Choice'

Le choix durable Le choix durable, c'est quoi? Des appareils plus fiable

FNAC LAB. CELEBRATING 50 YEARS OF SERVICE TO CONSUMERS!



For half a century, the Group's test lab has tried out hundreds of products every year, helping customers to make informed decisions.



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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, thereby reducing their impact on the environment while lending a boost to local and regional jobs. To accelerate the transition to a more circular economy, the Group harnessed the expertise of its 2,500-strong technicians – France's leading After-Sales Service. In 2022, 200,000 tonnes of CO₂* were saved by our After-Sales technicians in the home and the workshop, factoring in all repaired products.



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 four 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. 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.



800,000 subscribers - end-2022



DID YOU KNOW?

40-70% of all breakdowns are due to lack of maintenance or improper use of appliances. Since 2022, all Darty Max subscriptions include annual expert maintenance of registered appliances by video link.



MILLION products repaired in 2022

To ensure widespread coverage of our repair service and deliver the best possible customer experience, we are considerably ramping up our investment in After-Sales. We develop courses tailored to specific needs - now with our very own Apprentice Training Centre (CFA) intended to train and recruit tomorrow's technicians, as well as updating our workshops and technical knowledge base in-house on a daily basis. Whether at home or the workshop, in store, or over the phone, we are stepping up to extend product life span. For a year, we have also focused on raising customer awareness of the need to properly maintain equipment, which is key to preventing breakdowns.





Darty is hiring After-Sales technicians to drive its strategy





Promoting REPAIR

ENCOURAGING

DIY repairs via the After-Sales Service Community!



The Group's After-Sales Service Community offers close to 1.000 tutorials on how to maintain and repair products, with more than 600,000 Q&As. A veritable "Wikipedia for repairs", Darty's After-Sales experts join in and share their knowledge, instruction manuals and advice.

In 2022, 10.8 million users found repair solutions

Learn more



TO EXTEND SMARTPHONE LIFF SPAN

Every year, WeFix repairs an increasing number of smartphones. Our subsidiary can now be found in over 143 corners throughout France and Belgium. In 2022, WeFix technicians repaired a total of almost 230,000 smartphones.



Fnac Darty invests in a remote repair service.

In 2022, five remote repair units were established to repair devices directly via phone or video call, or to diagnose its cause in advance, helping to avoid unnecessary journeys.

INVESTING TO PROMOTE REPAIRS

2022 saw Fnac Darty open two new workshops:

- one in Chilly-Mazarin (southern suburbs of Paris), where its service centre houses the central spare parts warehouse with its 40,000 products, a workshop reserved for practical training of future technicians, and a "second life" area for reconditioned products;
- and one close to Tours (western France) following the relocation of Darty's western workshop to invest in a building covering nearly 8,000 m². This facility now handles product repairs and reconditioning for the entire Grand-Ouest region.

In 2023, Fnac Darty acquired N.S.F., an SME located in France's northerly Hauts de France region with expertise in repairing large domestic appliances.

The Group also acquired a stake in Repair & Run, a start-up specialising in the repair of bicycles and electric scooters. A good twenty repair corners have already been introduced in Fnac and Darty stores.

Last but not least, the Group is stepping up investment to train future talented technicians, with Fnac Darty inaugurating its very own Apprentice Training Centre last year.





GIVING PRODUCTS A SECOND LIFE

and optimising their end of life

A key focus for the Group, the sale of reconditioned and second-hand products helps to drive forward our transition to a more circular economy. Our Solidarity Policy also gives priority to donations of our new unsaleable products to associations.

We are firmly committed to expanding our "second life" range, in our efforts to present an alternative to new appliances all the while maintaining the same level of quality, trust and service that distinguishes our brands. As an example, our "second life" products take advantage of a two-year warranty (one year longer than the legal requirement), coupled with the same delivery-installation and repair services as new products.

To further our commitment to shaping a more circular economy, we are boosting the collection of old appliances and books. Our approach is fully sustainable, since we prioritise re-use and recycling, while increasing our customer purchasing power through reselling.

Martin Aunos Director of Second Life



A LONG-STANDING

PARTNERSHIP WITH ENVIE

Every year, more than a third of the tonnage of Waste Electrical and Electronic Equipment (WEEE) collected by Fnac and Darty France is sent to the workplace integration company Envie, which sorts, cleans, repairs, and reconditions items for resale in its store network. In 2022, Envie gave a second life to more than 17,000 tonnes of appliances, while also getting people back into work.





1st collector of WEEE in France

In 2022, more than 44,000 tonnes of WEEE were collected and sent for recycling, thanks in particular to Darty's 2 for 1 collection system.



Launch of FREE WEEE COLLECTIONS

Partnering with Ecosystem, Darty now provides a home collection service for bulky Waste Electrical and Electronic Equipment (WEEE). Free of charge, this service, which is open to all French people irrespective of their custom at Fnac Darty – will measurably improve the recycling and re-use rate of large domestic appliances.







·**60%** in "second life" revenue vs 2020

REDUCING THE IMPACT

OF OUR ACTIVITIES ON THE CLIMATE

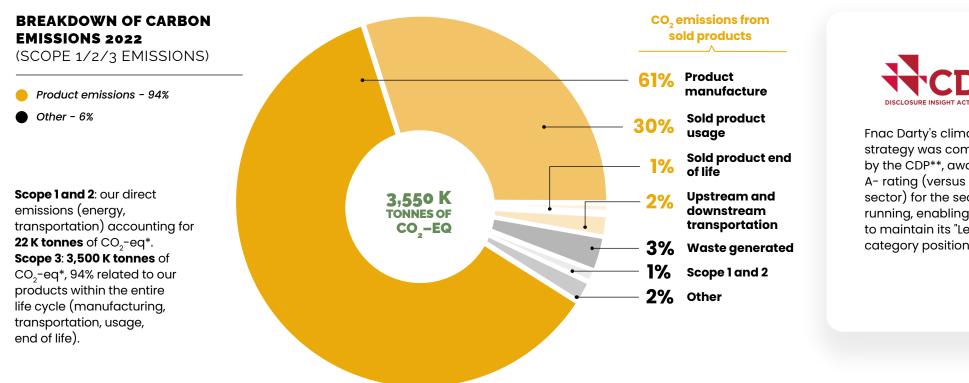




OUR CARBON FOOTPRINT

in 2022

Climate change is one of the driving forces behind societal upheaval. For Fnac Darty, it is a cornerstone challenge. With this in mind, the Group is rolling out an ambitious climate strategy, in order to combat global warming and prepare for its consequences.





strategy was commended by the CDP**, awarding an A-rating (versus C for the sector) for the second year running, enabling the Group to maintain its "Leadership" category position.

^{**}The Carbon Disclosure Project (CDP) is a multinational non-profit which annually assesses companies' climate strategies and publishes their environmental performance.



^{*}Carbon dioxide is the main greenhouse gas (GHG), but not the only one. To simplify the measurement of GHG emissions, other gases use a conversion factor (Global Warming Potential - GWP). The unit of measure is expressed as "CO, equivalent".



A REDUCTION TARGET

in line with the Paris Agreement

In an endeavour to ensure that Fnac Darty aligns with global limits, the Group has set out goals aligned with climate science, which limit global warming to 1.5°C. These targets cover our most direct (scopes 1 and 2) and indirect emissions (scope 3), with approval in 2022 from the Science Based Target (SBTi) initiative.

Our direct emissions (scopes 1 and 2)

Fuels



Gas and fuel oil



Refrigerant gases



Electricity



50% reduction in emissions by 2030 vs 2019

Our indirect emissions (scope 3)



Product manufacture



Product usage

Suppliers who account for 80% of product manufacturing emissions will have set science-based reduction targets by 2026

Reduce emissions from the use of products sold by 22%, out to 2030 vs 2019 These goals align with the reduction target set in the Strategic Plan, in 2021. This last concerns the GHG emissions upon which the Group considers that it has the capacity to take direct action.



Halve our CO₂ emissions out to 2030 (vs 2019) from transportation* and site energy use**

* Scope 1, 2 and 3



WE'VE SET A SCIENCE-BASED TARGET SAE CORRECT



We are proud to have reduced our most direct emissions by 17% compared to 2019, thanks to the involvement of all Climate Committee members, who are implementing concrete, strategic initiatives throughout their businesses. However, this is just the starting point. Our ambition is go much further by focusing on our indirect emissions from product manufacturing and use. The targets we have set under the Science-Based Target initiative are a step in the right direction; not only do they foster more in-depth collaboration, but they also encourage suppliers to define trajectories for reducing greenhouse gas emissions and designing more energy-efficient products.





^{**} Scope 1 and 3: transportation from depot to store, last-mile delivery, parcel shipping, After-Sales Service workshop flows, and other business trips



REDUCING THE IMPACT

of our energy consumption

In response to the energy crisis, Fnac Darty introduced an energy efficiency plan to substantially reduce its energy consumption, with a target to cut electricity consumption by 15%, out to 2024 (vs 2022), in France. In addition, to achieve its goal of reducing CO₂ emissions, the Group increasingly focuses on renewables to meet its electricity and gas needs.

KEY FIGURES FOR 2022



CO₂-eq emissions from energy consumption across sites vs 2021



renewables in 2022



Signing of the

EcoWatt and EcoGaz Commitment **Charters**

The energy crisis has helped Fnac Darty to strengthen and accelerate its transition. Our energy efficiency plan includes considerable investments to complete the installation of LED lighting and introduce control systems that manage energy consumption more effectively, irrespective of the store. What's more, the Group has updated its temperature quidelines as well as turning off illuminated signs when stores close. But investment alone is not enough for results, with our plan also geared towards human behaviour and practices: every gesture counts, and we are raising awareness among employees to embrace the shift to energy efficiency.







NEW SOLAR FARM

A project combining green energy production and biodiversity protection

Developed on former poor agricultural land, this agrivoltaic park now houses a pasture for sheep as well as beehives and a project to restore hedgerows. In April 2023, the site started generating electricity.



DE MOTEUR POUR

OUR COMMITMENTS

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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 global warming, the Group is focusing on various measures, from developing more sustainable fleets, optimising transportation plans and lorry loading to developing multimodal transportation.

Our ambition to halve transportation emissions is a move that calls for deep-seated change, involving stakeholders across the board. Technologies vary in their maturity and the real challenge lies in selecting the right engine specification based on restrictions such as range, access to biofuels and charging points. We are assisting our transportation suppliers in this decarbonisation strategy while working to continuously improve our loading and transport schedules. Parallel to this, we are deploying soft mobility solutions, as illustrated by our all-new rail link and our first-ever cargo bike deliveries.

Pierre SolerDirector of Transportation and Projects

GREENING

OUR OWN FLEET

To cut CO₂ emissions, last-mile delivery and After-Sales Service teams pulled together to decarbonise their respective fleet. Upon delivery, in 2023, 10 Natural Gas Vehicle (NGV) lorries and 10 electric vans will join the existing operational fleet of 35 lorries. In the After-Sales Service Department, 50 electric commercial vehicles have been operational for several months - charging stations were installed at technicians' homes - and nearly 400 bio-ethanol vehicles will begin use in 2023.



URBAN DELIVERIES BY FNAC

Since April 2023, in Paris, we have trialled the delivery of editorial products by cargo bike. Longerterm, 300,000 packages will be delivered per year, free of CO₂ emissions!

KEY FIGURES FOR 2022



-17%

in CO₂ emissions from warehouse-store transportation (vs 2021)



-20%

in CO₂ emissions from lastmile deliveries (vs 2021)



MEASURING AND MANAGING

the most indirect impacts of our activities

In addition to transportation and the energy consumed by our sites, our business generates other indirect impacts. Most of the Group's carbon footprint - 94% - results from products distributed by our stores, including the manufacturing, use, transport and end of life stages. Our commitment to extending product life span through repairs and second life initiatives provides a practical representation of how we reduce indirect impacts.

KEY FIGURES FOR 2022



2 MILLION tonnes of CO₂ from products sold, throughout their life cycle



OF WHICH 2 MILLION tonnes of CO₂ produced from manufacturing



DID YOU KNOW?

Overall, a product sold by Fnac, Darty, and Nature & Découvertes will emit an average 20 kg of CO, throughout its life cycle: manufacture, transportation, use, end of life. But this figure conceals some major disparities.









30KG CO.





GREEN IT Fnac Darty is on the case!

Digital technology now accounts for 4% of greenhouse gas emissions worldwide.* Led by the Climate Committee, the Group unveiled its "Green IT" approach.

The IT Department has calculated the impact of data storage, SaaS partners, IT equipment, and networking, while developing 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



DEVELOPING OUR MOST VALUABLE ASSET:

PEOPLE



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Our most valuable asset:

PEOPLE

With more than 25,000 employees, 3 out of 4 whom have direct contact with customers, the Group identified the following top priorities: planning and supporting rapid changes to business lines, guaranteeing employee health and safety and boosting their engagement. This social responsibility, which is reaffirmed in the Everyday Strategic Plan, is vital.

Against this backdrop, employer attractiveness, retention and commitment are crucial to the success of the Group's project. In response to high employee expectations and the scarcity of key skills in the repairs business, we bolstered our Recruitment Policy and developed tailored training courses, as exemplified by our Apprentice Training Centre which is tasked with upskilling tomorrow's technicians. On top of this, we have strived to create an inclusive and stimulating work environment for one and all, by significantly increasing the percentage of women in leadership positions as well as signing L'Autre Cercle's LGBT+ Commitment Charter in 2022. The success of the Everyday Strategic 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 FOR 2022



25,000employees, 19,000

of whom gre in France





13 YEARS

average seniority





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Capitalising ON ALL OUR TALENT

Fnac Darty understands the power of diversity. This is why the Group has introduced a number of measures to hone every single one of its talented individuals whether through upskilling its women and shattering the "glass ceiling" or through leveraging the experience of its senior employees.

KEY FIGURES FOR 2022



38%I of staff are women



87 out of 100

score on the French Gender Equality Index



30%

of women in leadership positions 2035 Everyday Goal - 35%



27% senior employees (vs 24% in 2021)

BUILDING

ON THE TALENT OF OUR SENIOR EMPLOYEES

Our senior talented individuals have the expertise and business knowledge required for our growth and expansion. With this in mind, Fnac Darty has introduced numerous measures to better support the second half of their careers with the creation of a "senior guide" and progress review, not to mention a fast-track service for their training requests. As our senior employees near the end of their careers and transition to retirement, we host group and individual "retirement" information workshops to help them structure their personal life plans.

WHAT ABOUT OUR YOUNG TALENT?

Fnac Darty has rolled out an ambitious Work-Study Policy. In 2022, the Group recruited 1,215 work-study trainees in France,

ESTABLISHING

A NETWORK DEDICATED TO FQUALITY

Founded in 2021, the network has over 150 employee members, both men and women. Spearheaded by a board of four Executive Committee members, the network aims to remove collective and individual obstacles to equality as well as to support the careers of women within the Group. The network is tasked

with helping them gain visibility among internal recruiters, but also gives them the opportunity to arrange regular meetings and share best practices, tools and experiences in addition to personalised support such as mentoring and personal development workshops.

All of us at Fnac Darty hold diversity in the highest regard.

Failure to ensure equal opportunities for each and every employee through our HR and management practices runs the risk of passing over our talent. Moreover, the Group has made shattering the "glass ceiling" – which is an obstacle to professional diversity at the most senior levels – one of its key priorities. Propelled by our initiatives which kick-started two years ago, we can take pride in our progress: our network already boasts 150 active members who are regularly involved in workshops and conferences, with performance metrics on the up.

Isabelle LenicolaisDirector of HR Projects



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Creating an inclusive and

RESPECTFUL WORK ENVIRONMENT

Fnac Darty has a long-standing commitment to changing attitudes toward disability, combating stereotypes and prejudices and implementing concrete actions as part of a proactive approach.

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 obtain recognition of their status as "workers with disabilities". It also contributes to finding new ways to step up the recruitment of people with disabilities within each legal entity.







Inclusion of people who are deaf or hard of hearing

Fnac Darty has developed two work-study programmes specifically for people with disabilities, hiring a number of people who are hard of hearing, particularly in its stores. The Group earned recognition for its inclusion of people who are deaf or hard of hearing in the workplace, and was awarded the 2021 "Inclusion Surdité" (Deafness Inclusivity) Prize by the Fondation pour l'Audition (France's scientific foundation for research about hearing impairment).



COMBATING SEXIST CONDUCT

In 2022, all Group "Sexist acts and sexual harassment" officers received training in understanding the issues at stake, the legal framework, the required internal procedures and the terms and conditions for catering to relevant persons.



Signing of the LGBT * COMMITMENT CHARTER

In September 2022, Fnac Darty signed the LGBT+ Commitment Charter for the inclusion of people in the LGBT+ community, supported by the non-profit, L'Autre Cercle.



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Supporting

PERSONAL AND CAREER DEVELOPMENT

Performance, expertise, professional development... Fnac Darty has made these issues strategic priorities in its "Everyday" Strategic plan in order to guarantee the employability and fulfilment of employees in their careers and to better meet customer expectations.

KEY FIGURES FOR 2022



94%

of employees trained



Of which **61%**

in-classroom



15 hrs

per employee trained



41

Tech Academies opened since 2019 in collaboration with the Apprentice Training Centres (CFA)

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 guarantee that also enables it to provide external training programmes. October 2022 saw the Academy inaugurate its own Apprentice Training Centre (CFA), onboarding and upskilling future experts nationwide, across France, to work in its repair businesses for domestic appliances.



Fnac Darty has chosen to insource most of its training programmes, in order to meet the skills 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 swift development of the repair service. Further to the classes begun in coordination with the CFA, we decided to open our own Apprentice Training Centre. This endeavour to support learners extends further since we pay towards the cost of accommodation during their training, and help to fund their driving licence.



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Attracting and retaining talent, particularly in

PROFESSIONS WITH SHORTAGES AND IN GROWTH AREAS

The diversification of activities, the rise of e-commerce and the development of repair services all form key components of the "Everyday" Strategic Plan. To support this strategy, there are certain key roles, such as After-Sales technicians, delivery and installation technicians, kitchen sales designers and web developers. However, these professions have also been identified as short-staffed. Rising to the challenge, the Group uses various means to boost its appeal and retain talents.



ESTABLISHING A TALENT ACQUISITION

AND DEVELOPMENT DEPARTMENT

Formed in 2022, the Talent Acquisition and Development Department is tasked with defining and implementing the Recruitment Policy for Fnac Darty in France. In response to the war for talent on the jobs market, this Department has worked to raise its profile on benchmark recruitment media and social networks, deploying innovative solutions in an effort to attract new talent.

PROMOTING INTERNAL TRANSFERS

TO FAST-GROWING BUSINESS LINES

In addition to recruiting externally,
Fnac Darty seeks to promote
internal transfers to fast-growing
business lines. A Mobility Committee
is overseeing the establishment
of "mobility hubs", which enable
employees to try out a new profession,
notably by taking part in a "Live My Life"
placement or by being followed
by a mentor.



TRAINING TECHNICIANS.

with an eye on environmental, social and local needs

To support the expeditious development of the repair service offered by Darty Max, the Group uses the Tech Academy to recruit and train future After-Sales technicians, in partnership with Apprentice Training Centres (CFA). In 2022, Fnac Darty went one step further by opening its own CFA. By 2025, it plans to recruit 500 technicians! This undertaking also has a social aspect, in that the Tech Academy recruits people excluded from the labour market and workplace (jobseekers, refugees, disadvantaged young people, etc.). It also helps to promote local economic development by creating permanent jobs across all regions of France.

488 technicians have already passed through the doors of the Tech Academy, with 220 recruited full-time on a Group-wide basis.



Working conditions

AND RISK PREVENTION

As a prerequisite for employee commitment, Fnac Darty regards health – physical and psychological – and safety as cornerstone issues. In this spirit, the Group has invested heavily in training its teams, in order to shore up risk prevention.



CHAMPIONING FREEDOM OF EXPRESSION

FOR EACH INDIVIDUAL REGARDING THEIR WORKING CONDITIONS

The Group provides various means by which employees can freely express themselves on the content and organisation of their work:

- Supermood, an innovative and anonymous tool for listening to employees, affording them the opportunity to express their opinion and expectations which also enables managers to provide appropriate, targeted and fast responses.
- Group meetings, routinely organised within the teams in 2022, offering a platform for employees to express their views and devise solutions to level up the organisation, the environment and working conditions.



UPHOLDING HEALTH AND SAFETY, WITH A FOCUS ON THE

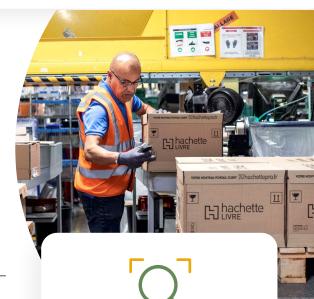
WITH A FOCUS ON THI MOST HAZARDOUS PROFESSIONS

During handling activities, repeated movements, bearing heavy loads and trolley vibrations are at the root of musculoskeletal disorders (MSD), the leading cause of workplace accidents in the logistics sector. The Group pays special attention to these professions, not forgetting After-Sales and delivery tasks, with action and training plans implemented to enhance comfort and safety.

ADVANCING ACTION PLANS

TO CURB RISKS

- Training of logistics operations managers in workplace accident analysis and risk prevention training for in-store managers.
- Launch of the "5S" projects to reduce accidents and improve working conditions.
- New investment in secure platforms and goods loading and unloading docks.
- New procedures for lithium battery and chemicals storage.



HIGH PHYSICAL IMPACT

professions

Due to the lack of legal grounds, the Group decided to identify roles with "a high physical impact" concerning the professions of delivery driver, technician and order picker, thereby benefitting employees with specific support measures after the age of 50, including assistance with internal career transition and flexible working hours.

ACTING ETHICALLY THROUGHOUT OUR VALUE CHAIN





ADVOCATING

business ethics

As a responsible player, Fnac Darty is committed to acting with integrity. Our values and ethical principles contribute to the sense of pride felt by employees.

ETHICS GUIDELINES

Our Ethics Guidelines formalise our commitments across all our locations. They comprise the following documents:

- Code of Business Conduct
- Gifts and Benefits Charter
- <u>Prevention of Conflicts of Interests</u> Charter

Together, the Group's Head of Ethics and a network of offices continually seek to strengthen our ethics system, both in terms of prevention and detection.



AN ETHICS ALERT

platform, accessible to all.

The Whistle B alert platform was launched

WhistleB

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 securely and confidentially submit concerns regarding potential wrongdoing or conduct contrary to the internal charters, policies and rules of Fnac Darty.

Learn more



The Group is vigilant and seeks to act ethically under all circumstances. We rely on solid governance to continuously assess and improve our ethics system. Our ambition is to ensure that our employees, management boards, Executive Committee and executive directors have all received training on ethics so that every member of staff gains a full grasp of such challenges in their day-to-day activities.

Lastly, in an effort to adhere to our established rules, compliance issues are systematically

incorporated into our audits.



Bruno Frésart Group Risks Director



PROTECTING

the personal data of employees and customers

PROTECTING PERSONAL DATA:

DEDICATED GOVERNANCE AND STRUCTURAL MEASURES

With millions of monthly visitors to our commercial websites and close to 10 million subscribers, personal data protection is a priority for Fnac Darty, forming the cornerstone of the Group's digital strategy.

Fnac Darty has followed a strict "privacy by design" procedure since 2021 to ensure that personal data protection issues are properly addressed from the outset when projects are designed and tools selected.

- A 4-person data protection team
- Data Protection Officers (DPOs) in every subsidiary
- General Data Protection Regulation (GDPR) officers in each major department
- Regular training and awareness sessions

CYBERSECURITY:

AN ESSENTIAL PRACTICE TO ENSURE THE PROTECTION OF PERSONAL DATA

Cyberattacks are increasingly sophisticated and frequent, representing a major risk for the Group, not to mention the personal data of customers and employees alike. On the back of a fourfold budget increase between 2019 and 2022, each year, Fnac Darty is consolidating its policies to prevent, detect and manage cybersecurity incidents.

KEY FIGURE



6.8 BILLION

malicious requests blocked in 2022





In addition to a Cookies Manager, a "preference centre" was launched on darty.com and fnac.com, to offer customers greater transparency and the ability to manage their personal data more effectively.



En matière de données personnelles c'est vous qui fixez les règles



Learn more



PURSUING A RESPONSIBLE

indirect purchasing policy

As a responsible player, Fnac Darty is committed to acting with integrity. Our values and ethical principles contribute to the sense of pride felt by employees.

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, first by training all its buyers in responsible purchasing practices.

Through this approach, we undertake to operate as a responsible contractor, identify and prevent 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 Ministry 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 dialogue with our suppliers. Lastly, we want to make a practical contribution, via our purchases, to achieving the Group's goals in terms of shrinking climate impacts, championing sustainability, and enhancing Magali Félix eco-friendly product design. Director of Indirect Purchasing



CSR criteria in 2022



ENSURING FISCAL RESPONSIBILITY

Fnac Darty is committed to paying taxes in the countries where 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.

In 2022, more than €100 million was paid.





IDENTIFYING AND PREVENTING

social and environmental risks



PREVENTING RISKS

VIA A VIGILANCE PLAN

In 2018, the Group established a Vigilance Plan using a regularly updated risk matrix that covers risks relating to serious human rights infringements, as well as damage to people's health and safety, and to the environment. Its scope covers all of 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, logistics and After-Sales, and independent vendors in our marketplaces.

These risks are subject to action plans that are reviewed on an annual basis by employee representatives, primarily in the form of an ad hoc working group composed of elected representatives from each country.

RESULTS OF OUR PREVENTIVE ACTIONS



92.3%

of audited Fnac Darty plants were deemed compliant, despite an increase in the non-compliance threshold. In 2022, after taking corrective actions, none of the plants had to halt its production. 78 out of the 192 plants in China were audited, with 36 unannounced audits



3,000+ marketplace vendors

tested, with 231 delisted



ACTION PLAN

to prevent risks from handling lithium batteries and chemical products used in After-Sales workshops

CONTRIBUTING

TO THE ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT OF REGIONS





ACCESS TO CULTURE

for all!

True to its long-established ethos for over 40 years, Fnac strives to widen access to culture for all, in all its diversification. This customer-centric approach is reflected in a host of free cultural events such as Fnac Live and ceremonies for prestigious literary prizes in France, most notably, the Prix Goncourt des Lycéens literary prize for senior high school students, the Prix Romans Fnac novel prize and the BD Fnac France Inter comic prize.

KEY FIGURES FOR 2021



7,000

in-store worldwide



NO. Ticket seller

in France







FNAC BOOSTS SELF-PUBLISHING activities

Working in tandem with its partners, Fnac created the Kobo by Fnac "Talents of Tomorrow" Award in an endeavour to elevate digital self-publishing and reveal voices with a passion for writing.

In 2022, Kobo Writing Life and the Fnac Readers' Forum also joined forces to launch a short story writing competition hosted on the Readers' Forum: Le Prix des Plumes ("Gifted Writer Award"). This initiative was a huge success from the outset, serving to showcase the talents of several literature lovers.

After two years' disruption due to Covid, Fnac Live returned to rock the Parisian stage in and around the French capital's City Hall.

de to rock the athe

2022 spotlighted the full, diverse potential of the Group's cultural initiatives. The free events held in our Fnac stores illustrate our incredible ability to foster interaction between artists and their audiences, regardless of region. 2022 saw us organise a total of nearly 7,000 in-store events throughout Europe. Our commitment to culture is also reflected in our partnerships with large-scale nationwide events including none other than the Prix Goncourt des Lycéens literary prize for senior high school students, the Prix Romans Fnac novel prize, the BD Fnac France Inter comic prize, and not forgetting, our Fnac Live Paris music festival. Through this combination of events, Fnac continues to lead the charge in working toward widening access



Cécile Trunet-FavreCommunications
and Public Affairs Director

and diversification of culture.



Contributing to

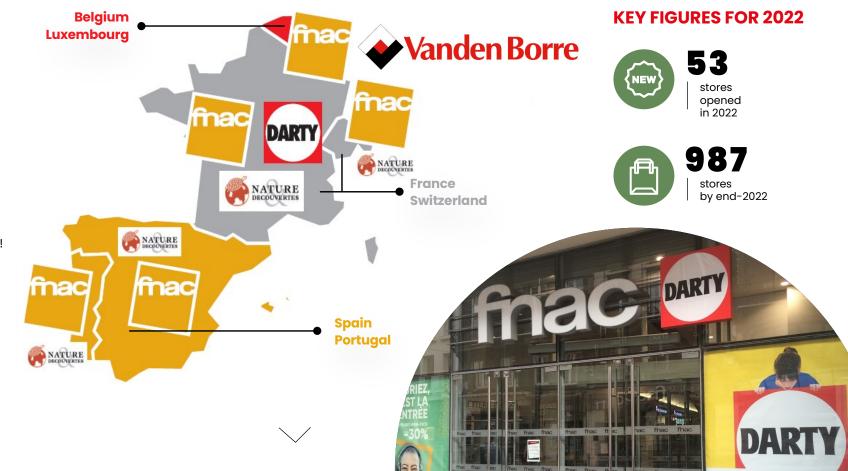
LOCAL AND REGIONAL DEVELOPMENT

Through its omnichannel model, Fnac Darty offers a unique buying experience to customers and 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.

OPENING STORES

and contributing to local economic, social, and cultural activities

A store means permanent local jobs for our regions, whether directly or indirectly! Our expansive network provides a boost to the regions where we operate. By paying our taxes where we create value - specifically, €43 million locally across French communities in 2022 - we are also helping to fund public services, an achievement that makes us proud!





Implementing solidarity-based **ACTIONS**

Driven by its societal and cultural responsibilities, Fnac Darty pursues a proactive policy of solidarity- and sponsorship-based actions. The Group develops ties with local associations, and makes it easier for Fnac and Nature & Découvertes customers to make donations in stores thanks to charitable rounding initiatives.



KEY FIGURES FOR 2022



500,000 **PRODUCTS**

donated to associations in 2022, including the Agence du Don en Nature, Emmaüs and Secours Populaire.



Around

€1.3M RAISED

> through our small in-store donation schemes

10TH EDITION OF THE

"GRANDE COLLECTE SOLIDAIRE DE LIVRES" ("BIG BOOK DRIVE")

In 2022, Fnac celebrated the tenth anniversary of its "Big Book Drive" in partnership with Bibliothèques sans Frontières (Libraries Without Borders). Each year, Fnac encourages customers to donate their books to the association. This book collection was the largest to date in France, and extended in 2022 to Fnac stores in Switzerland. In ten years, around 2.280.000 books have been handed over to Bibliothèques sans Frontières. Such donations have lent support to educational and cultural programmes, both in France and abroad, in areas of conflict or insecurity.

INCREASED DONATIONS

THANKS TO CHARITABLE ROUNDING



By teaming up with the social utility solidarity enterprise, microDon, Fnac succeeded in

increasing the impact of checkout donations. microDon directly enables charitable rounding of donations on store checkout terminals. Together, Fnac and microDon have triggered a fourfold increase in donations to partner associations.

ACCELERATION IN DONATIONS

OF UNSALEABLE **NEW PRODUCTS**



comerso In 2022, the Les invendus ont de la valeur Group deployed

a solution for donating unsold goods directly by and from stores in a partnership with Comerso, one of the leading players in the recovery of unsold goods. This scheme helps to avoid unnecessary returns of products to warehouses while directing donations to locally established associations.



Long-standing partners include:

Bibliothèques sans Frontières (Libraries without Boarders), Un Rien C'est Tout, Common Cents, ENVIE, Secours Populaire, Télémaque and Sport dans la Ville (Sport in the City).

FOSTERING CSR COMMITMENT

WITHIN OUR SUBSIDIARIES









NATURE & DÉCOUVERTES

becomes a "mission driven" company

At end-2022, Nature & Découvertes became a "mission driven" company (société à mission)*, enshrining its raison d'être in its legal bylaws, with three related objectives.



Through this change in status, we remain faithful to our history of trailblazing commitments made to last, giving a "second life" to the Fnac Darty business model which puts people first. Together, we are proactively reaching this company milestone which aligns with our Ambition 2025 Strategic Plan.







OUR RAISON D'ÊTRE

"Choose solutions that make a genuine, daily contribution to the transition toward sustainable, biodiversity-friendly lifestyles."

BYLAWS OBJECTIVES

- Develop a range of products and experiences that promote sustainable lifestyles
- Preserve and promote relationships with the natural world
- · Unite the communities that are transforming the world

HOW THE "MISSION DRIVEN" COMPANY

IS GOVERNED

In March 2023, a committee responsible for monitoring the mission was formed, meeting two to three times a year to monitor performance. Comprising 8 members, it includes external and internal stakeholders whose field of expertise is linked to the objectives set out in the bylaws and thus the fulfilment of the mission. The committee will issue its first report in summer 2024, with an independent third-party audit scheduled to follow in due course.

TERRE D'OC, A MISSION-ORIENTED COMPANY SINCE 2021

For the last 25 years, the Nature & Découvertes subsidiary has committed to adopting a responsible approach at every stage in the development of its products. With its raison d'être to "Design and manufacture well-being products that are beautiful, good, and healthy, based on an intention to preserve natural resources and biodiversity while developing the organic and fair-trade sectors, and highlighting women's work all around the world", Terre d'Oc became a mission driven company in 2021.



ESTABLISHING A SUSTAINABLE

innovation division championing eco-design for nature & découvertes' products

Established in 2020 as part of Nature & Découvertes' Offer Department, the Sustainable Innovation Division supports Product Managers and works with suppliers to improve the offer design as well as to curb the environmental impact of products, encompassing all phases from design to end of life.

To guarantee a more sustainable offer, the division operates according to a list of 27 failure-point criteria: in 2022, 2,200 products were checked against the criteria. Regarding the Spring-Summer 2023 collection, we identified 98% of the traceability for materials used in our products.

The division also seeks to drive a reduction in the carbon footprint of its products. To this end, Nature & Découvertes defined an overall trajectory for reducing carbon emissions focused on the product families that generate the most emissions: -26% in emissions by 2030.





PROGRESS

in all stages of the product life cycle

Wearable cosy blankets were redesigned in various ways:

- Longer-lasting: the blanket retains its initial characteristics even after 30 wash cycles
- Less carbon-intensive recycled material: rPET (recycled polyethylene terephthalate) from plastic bottles
- Optimised packaging: reusable packaging made from recycled materials

The eco-design of the blankets drove a 38% reduction in the product's total carbon footprint.

*in the Spring-Summer 2023 collection

KEY FIGURES FOR 2022



failure-point criteria relating to the wood, minerals, cosmetics, and textiles used, are applied to our products prior to their listing.



of food products are organic



of cosmetic products are certified



of wooden toy/game products are Forest Stewardship Council (FSC) certified

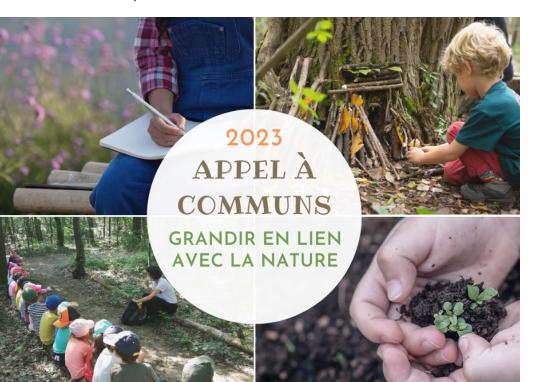


NATURE & DÉCOUVERTES FOUNDATION

Supporting grassroots projects to protect nature

Since 1994, the Nature & Découvertes Foundation has launched and endorsed charity projects to protect biodiversity and educate others about nature. "Helping Hand" committees partner up with a network of in-store ambassadors to select the priority projects for the Foundation. Preferred projects stand out for their established local presence coupled with specific on-the-ground endeavours.

On top of its long-standing initiatives, in 2022, the Foundation initiated a "Call for Commons" in a coalition with six other sponsor-based organisations to encourage educational projects in contact with nature at the regional level. Backed by a donation of nearly €400,000, the Foundation funded 27 projects to coordinate and pool resources.



KEY FIGURES



Grassroots projects supported since the Foundation's inception



Of which

Projects in 2022





Learn more



GREEN NETWORKS

Since 2003, Nature & Découvertes has tapped into a network of instore ambassadors, in an effort to communicate and champion its CSR efforts.

For every store, the Green Networks raise awareness amongst teams, engaging them in Nature & Découvertes' CSR commitments in areas such as waste management, the integration of people with disabilities, support for local community projects to protect and learn about the natural world through charitable rounding and participation in the Foundation's "Helping Hand" committees.



COMMITTING TO THE CAUSE:

focus on our subsidiaries

Whether it's in Belgium, Switzerland, Portugal or Spain, our subsidiaries actively contribute towards making our CSR commitments a reality. CSR representatives develop and execute roadmaps for each country and its customer base, working closely with the Group CSR department to deliver increasingly positive impact.

VANDEN BORRE:

TRAINING PEOPLE
RETURNING TO
THE LABOUR MARKET
WITH "LES PETITS RIENS"



CHARITABLE ROUNDING TO AID HOSPITALISED CHILDREN

FNAC SWITZERLAND:

Our customers gave generously to one of our Swiss subsidiary's causes in 2022 by donating CHF92,258 to the Théodora Foundation, which then served to finance 4,613 visits for children in hospitals or special institutions.

Vanden Borre struck up a partnership with "Les Petits Riens" the association, which repairs and resells large domestic appliances supplied in part by our Belgian subsidiary, provides a year-long training programme for people returning to the labour market to become repair technicians. At the end of the one-year apprenticeship, apprentice technicians can apply for a job at Vanden Borre.

In 2022, Vanden Borre hired eight people aiming for professional rehabilitation.



TREE PLANTING made possible by customers' generosity

Thanks to donations of loyalty points and various initiatives linked to the Fnac card, customers in Switzerland helped to plant more than 180 oak trees in a forest near the subsidiary's Geneva headquarters. The project generated the sequestration of 49 tonnes of CO₂ equivalent.

FNAC SPAIN:

APPLICATION
LAUNCH TO FOSTER
EMPLOYEE WELL-BEING

The Group's Spanish subsidiary uses an innovative tool to promote well-being; more specifically, a web application providing advice on nutrition, health and sports. Last year, almost one in four Fnac Spain employees deployed the tool, which was rolled out to further prevent physical and psychological risks.



FNAC PORTUGAL:

SCALE-UP OF REPAIR AND SECOND LIFE SERVICES



In 2022, Fnac Portugal continued to scale up the in-store Fnac RESTART range for reconditioned consoles and telephones and is currently developing a marketplace offering.

Positioned as the go-to for quick repairs in the country, our Portuguese subsidiary also upgraded its repair services with its "Clinica Fnac" and "PC Clinic" workshop brands. Together, the brands have 37 nationwide stores and corners, 160+ After-Sales Service technicians and more than 55,000 repaired appliances (up 47% vs 2021).



FNAC DARTY