



ESG PRESENTATION

FNAC DARTY

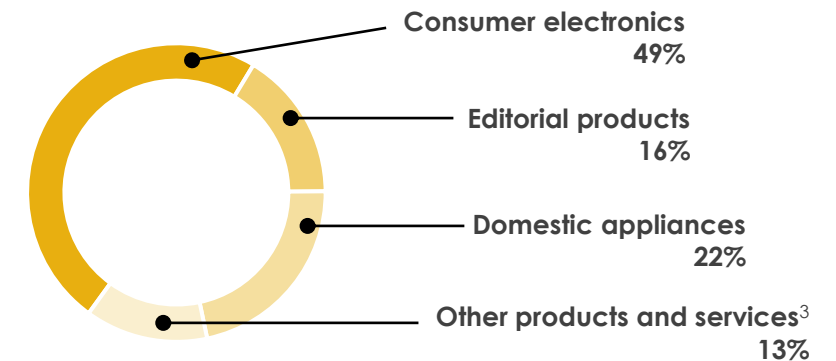
November 2022

FNAC DARTY AT A GLANCE

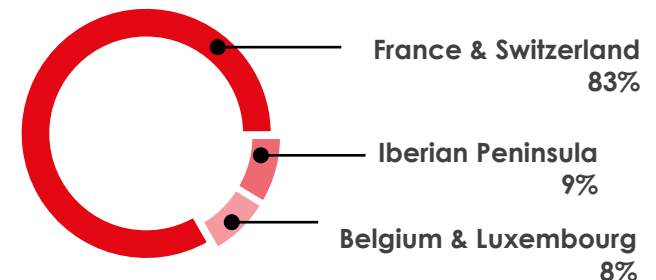
A EUROPEAN OMNICHANNEL LEADER WITH AN EFFICIENT CENTRALISED OPERATIONS PLATFORM

- **8.0 bn€ Group revenue in 2021 – 25,000 employees**
- **Top European omnichannel retailer**
 - 26% of total sales in 2021 are online sales
 - c. 50% of online sales are omnichannel (click & collect)
- **971 multiformat stores¹**
 - 405 franchises stores
 - c. 90% of customers have a store less than 15' from home
- **No. 1 after-sales service in France²**
 - 2.1 million products repaired in 2021
 - c. 3,000 employees dedicated to after-sales service

2021 revenue breakdown by category



2021 revenue breakdown by region



¹ At 30 September 2022

² Internal customer studies

³ Include: Ticketing, B2B, after sales service, membership fees, franchise fees, insurance, consumer credit



GROUP CSR STRATEGY

FNAC DARTY

CSR AMBITIONS FULLY INCLUDED IN OUR STRATEGIC PLAN

HOW DO WE COMMIT TO AN EDUCATED CHOICE AND A SUSTAINABLE CONSUMPTION, EVERYDAY?

» Build a digitized omnichannel retail



» Lead durable behaviors

» Scale the next in-home subscription-based assistance service

OUR TRANSFORMATION IS DRIVEN BY OUR **RAISON D'ÊTRE**

Since 2018, Fnac Darty has adopted a **corporate raison d'être**

“

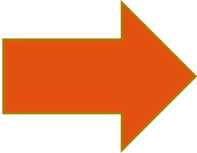
**COMMIT TO AN EDUCATED CHOICE AND A
SUSTAINABLE CONSUMPTION**

”

At a time of hyperchoice and consumer expectations for more responsible consumption, this mission aims to guarantee the best offer of products and services, enriched by the strong expertise of our vendors

This raison d'être is intended to irrigate the entire Group and guide our strategic choices

OUR 5-PILLAR CSR STRATEGY CREATES SUSTAINABLE VALUE



CSR OBJECTIVES INCLUDED IN OUR FINANCING STRATEGY







In March 2021, we have extended our **RCF line of credit to €500m** maturing maximum in 2028 with **CSR components**:

- **A durability score indicator** to reach 135 by 2025
- **A repair indicator** to reach c. 2.5M of products repaired by 2025
- **A gender equality indicator** to reach > 35% of female in the top 200 managers of the Group by 2025

➤ It will permit the Group to improve its financing terms if the targets are achieved.

A RESPONSIBLE RETAILER VALUED BY ESG RATING AGENCIES

Agencies	Evolution	2018 (as of 2017)	2019 (as of 2018)	2020 (as of 2019)	2021 (as of 2020)	2022 (as of 2021)
	<p>1st time that Fnac Darty is rated A1+ ("Advanced" - best category) Top 5% worldwide and 5th out of 76 in its sector in Europe The Group has integrated the "Robust" category for the first time</p>	35/100	44/100	48/100	54/100	61/100
	<p>Fnac Darty is rated as low ESG risks Fnac Darty ranks 1st and in the 1st percentile of the specialised retail sector assessed by Sustainalytics Sustainalytics rates Fnac Darty's management of ESG issues as robust, with a score of 59.0/100</p>		12.2	11.5	11.4	12.0
	<p>MSCI ESG Ratings has given Fnac Darty an AA rating "leader" for the 4th consecutive year (on a scale ranging from AAA to CCC) Fnac Darty ranks in the Top 27% of specialised retail companies to earn an AA rating</p>	A	AA	AA	AA	AA
	<p>Fnac Darty received a A- grade, above the average of European companies (B) and above the average of the specialized retail sector (B-) The Group has integrated the "Leadership" category for the first time</p>	D	B	C	A-	In progress



For the 3rd time in a row



OUR CSR VALUE PROPOSITION

FNAC DARTY

OUR CSR VALUE PROPOSITION

A GOVERNANCE AT THE HIGHEST STANDARDS

CONSUMERS' EXPECTATIONS

- AGILITY / PROXIMITY
- A DEMAND FOR IMMEDIACY
- EXPERIENCE OVER GOODS
- REDEFINITION OF CONSUMPTION PRIORITIES AND PRODUCT USE
- GREATER ENVIRONMENTAL CONCERN
- EXPERIENCE OVER GOODS
- QUALITY
- ADVICE

CSR AT THE HEART OF FNAC DARTY'S STRATEGY PLAN EVERYDAY



DIFFERENTIATING CSR VALUE OFFER

- Favor **click&collect** than home delivery with the unique “**informed delivery**” **information**
- A renowned Fnac brand as cultural agitator to **widen access to culture**
- Increase **positive impacts on territories** (employment and solidarity) through store openings
- Acting on the **largest CO₂ emission**, the products with **customers** and **suppliers**
- **Second life differentiating offering** through historical brands, Darty and Fnac Seconde Life
- Disruptive initiatives to highlight the **most sustainable products** through Fnac Darty Barometer and the proprietary Sustainable Choice label
- Monitoring **extended durability** of the product offerings through the Durability score
- A solution to **tackle** planned **product obsolescence**
- Premiumisation of the demand towards **better quality products**
- Prevent **products repair** through **a maintenance service included**

¹ Durability scores weighed by volumes

² Number of Darty Max subscribers x number of products covered per subscriber

OUR CSR RELATED AMBITIONS WILL CONTRIBUTE TO ACHIEVE OUR FINANCIAL OBJECTIVES

EVERYDAY AMBITIONS

ESG related objectives by 2025

Business value added

Financial objectives by 2025

BUILD A DIGITIZED OMNICHANNEL RETAIL

- ✓ 50% of online sales will be Click & Collect
- ✓ Continued stores network deployment mainly through franchise

- ✓ A click & Collect service to reach the **same online profitability as offline**
- ✓ A service run by salespeople to **provide assistance, attached services** and accessories to online sales
- ✓ A **franchise business accretive in EBIT margin** as less cost intensive to have a significant store footprint

LEAD DURABLE BEHAVIORS

- ✓ Reach a durability score of 135¹
- ✓ 2.5 million product repaired
- ✓ Integration 100% of “non-saleable” products into a second life sector

- ✓ **Differentiated offering** with a large and diversified range of products
- ✓ Increased **customer loyalty**
- ✓ Qualitative and sustainable product offerings with **higher margins**

SCALE THE NEXT IN-HOME SUBSCRIPTION-BASED REPAIR SERVICE

- ✓ >2M subscribers to our unlimited repairs subscription program

- ✓ **Recurring revenue** and **cash flow**
- ✓ Differentiated offering with a **unique service proposition**
- ✓ A captive ecosystem and **increased customer loyalty**
- ✓ Premiumisation of the demand to favour **higher margin products**

Generating strong cash-flow

- ✓ **Cumulative Free Cash Flow^{2c} €500m 2021-2023**
- ✓ **Run rate Free Cash Flow² ≥ €240m in 2025**

1. Durability scores weighed by volumes
2. Excluding IFRS 16

FNAC DARTY PROFILE IN 2025: FINANCIAL AND EXTRA-FINANCIAL AMBITIONS

ESG AMBITIONS

135

"Durability score"
by 2025¹

-50%

Transport & energy CO₂
emissions in 2030 vs 2019

2.5M

Products repaired in 2025²

35%

Of women in Top 200
managers of the Group

BUSINESS & FINANCE AMBITIONS

>30%

Online revenue penetration
by 2025

>2M

Subscribers to our unlimited repairs
subscription program by 2025

100%

Stores profitable by 2025³

c.€120m

Total annual normative capex budget
over the period by 2025⁴

≥ €240m

Run rate Free Cash Flow⁵ in 2025

Shareholder return

>30% mid-term payout ratio

Add. opportunistic shareholder return
Leverage⁶ of max 2.0x

1. Durability scores weighed by volumes 2. Repaired or dysfunction resolved
3. Group owned stores perimeter
4. Excluding major strategic initiatives

5. Net cash provided by operating activities excluding net financial charges less net operating investments and cash impacts relating to rents within the scope of IFRS 16
6. Leverage measured as of end of June with net debt excluding IFRS16 measured as of end of June and 12-month rolling EBITDA excluding IFRS16

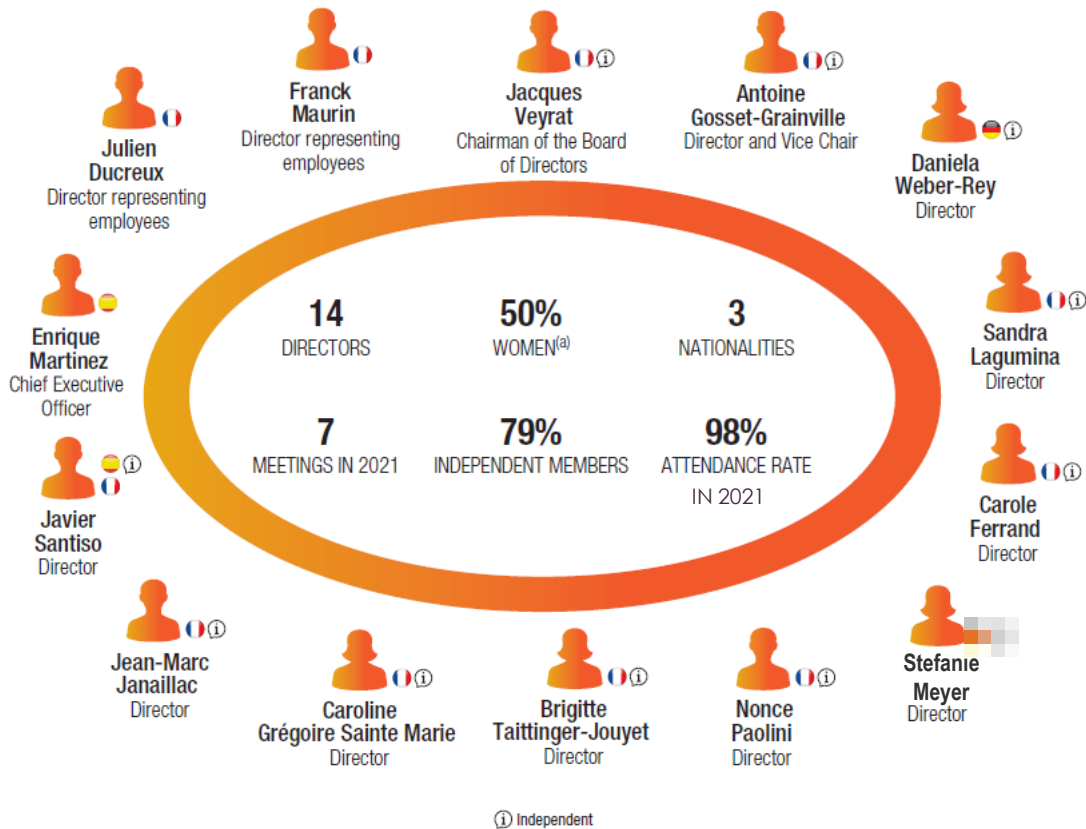


A SOLID GOVERNANCE

FNAC DARTY

A SOLID BOARD OF DIRECTORS...

As of 19 May 2022



- 79% of independent members
- 50% of female members*
- 2 employees Directors
- 4 committees chaired by independent Directors of which:
 - Audit Committee
 - Appointments and Compensation Committee
 - Strategy Committee
 - **Corporate, Environmental and Social Responsibility Committee**
- Chairman of Appointments & Compensation Committee is also member of CSR Committee and Strategy Committee


A **QUALIFIED** AND **EXPERIENCED** EXECUTIVE TEAM FULLY DEDICATED TO THE NEW STRATEGIC PLAN



ENRIQUE MARTINEZ
CHIEF EXECUTIVE OFFICER of Fnac Darty

- ✓ More than 20 years at Fnac Darty in various positions of responsibility
- ✓ Member of the Executive Committee since 2004

 46% of female members

 13 members



JULIEN PEYRAFITTE
COMMERCIAL Director



OLIVIER THEULLE
E-Commerce and
DIGITAL Director



ANNE-LAURE FELDKIRCHER
Executive Director of
TRANSFORMATION & STRATEGY



JEAN-BRIEUC LE TINIER
Group Chief **FINANCIAL**
Officer



FLORENCE LEMETAIS
CLIENT, Marketing and Business
Development Director



VINCENT GUFFLET
SERVICES and Operations
Director



FRÉDÉRIQUE GIAVARINI
GENERAL COUNSEL in charge of **CSR**
and Managing Director of
NATURE & DÉCOUVERTES



TIFFANY FOUCAULT
HUMAN RESOURCES Director



FRANCOIS GAZUIT
OPERATIONS Director



ANNABEL CHAUSSAT
Managing Director of
Fnac **SPAIN**

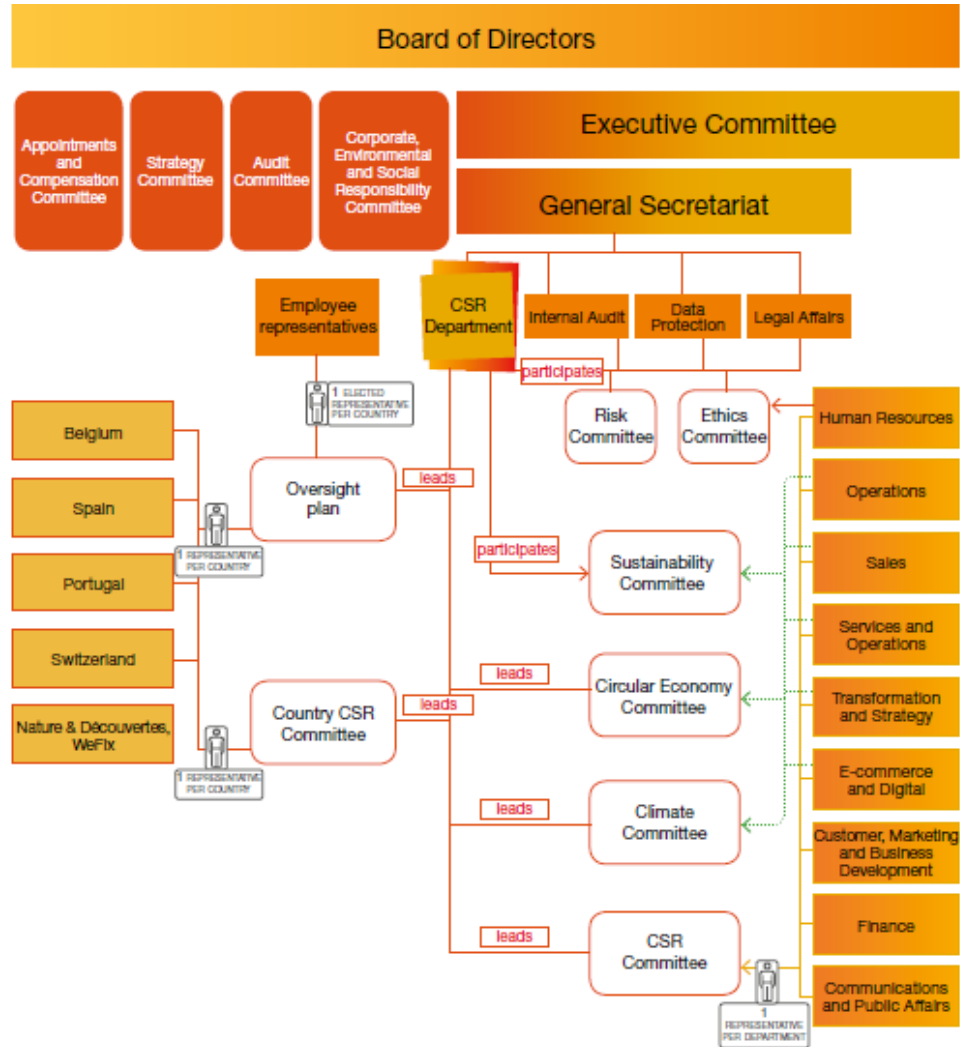


CHARLES-HENRI DE MALEISSYE
CEO of **FNAC VANDEN BORRE** in
BELGIUM



CELINE TRUNET FAVRE
COMMUNICATIONS & PUBLIC AFFAIRS
Director

A GOVERNANCE THAT STRENGTHENS THE INTEGRATION OF CSR CHALLENGES



- A **Corporate, Environmental and Social Responsibility Committee** has been created at Board level since 2013 and **CSR is overseen by the General Counsel in charge of CSR and Governance**, a member of the Executive Committee
- An **Ethics Committee** (2018) oversees compliance with transparency, due diligence and data protection laws
- A **Climate committee** (2019), presided by the CSR Group Director, manages the **climate roadmap** in order to **meet** the Group's **CO₂ reduction commitments**
- A **Sustainability committee** (2021), with 2 Comex sponsors, aims to develop the Group's product offer to make it more sustainable
- A **Circular Economy committee** (2021), presided by the General Counsel in charge of CSR and Governance, manages the issues related to **waste recycling**

CSR ALSO INCLUDED IN REMUNERATION POLICY

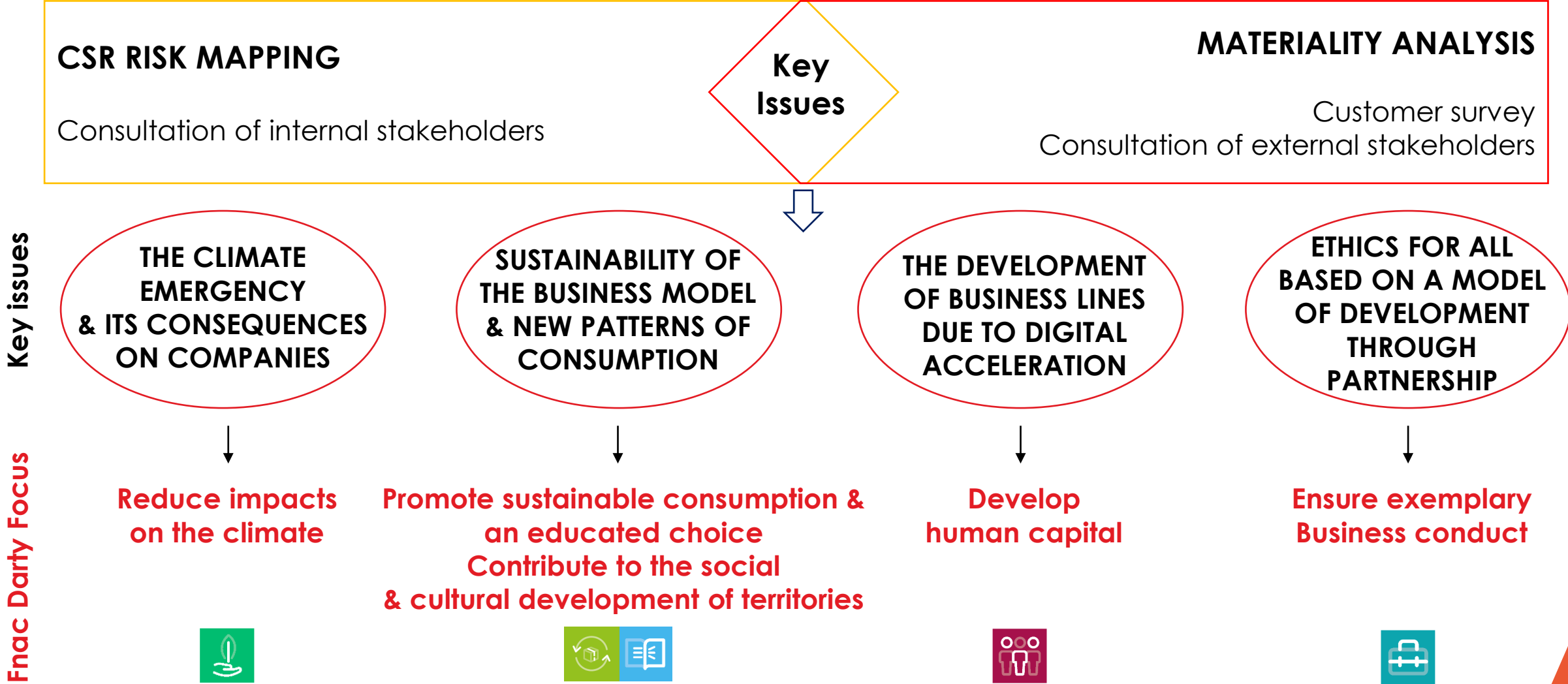
- **10% of the total bonus of the CEO is linked to CSR objectives**, 5% of which to the Group's extra-financial rating
- **10% of the total bonus of the Executive Committee** members is related to **CSR objectives**, 5% of which on specific indicator and 5% on CO₂ reduction objective
- Continued to strengthen the integration of CSR criteria in the variable compensation with **10% of the bonus of all Group managers** based of CSR objectives
- Increased weight of CSR criterion in **long term benefit from 20% to 25% with 2 measurable objectives, specific to Fnac Darty and different from those of the CEO's variable compensation, with a more focus on climate**
- Presence of a director representing the employees at the **Appointments and Compensation Committee** to represent the employees' interest in this committee
- Presence of a **common director** between the **CSR Committee** and the **Appointments and Compensation Committee** to increase the **link** between **the remuneration policy and CSR issues**



DETAILED FNAC DARTY CSR STRATEGY

FNAC DARTY

4 MAJOR KEY RISKS, COVERED BY OUR CSR POLICY, HAVE BEEN IDENTIFIED BY A MATERIALITY ANALYSIS



A 5-PILLAR CSR POLICY TO ADDRESS OUR RISKS AND SEIZE BUSINESS OPPORTUNITIES





PROMOTING A SUSTAINABLE CONSUMPTION

OUR RECENT ACHIEVEMENTS

- 2.1M** of repair products in 2021
 **No. 1 REPAIR IN FRANCE²**
- 52KT** WEEE collected and recycled at Group level
 **No. 1 WEEE COLLECTOR IN FRANCE**
- +22** new **WeFix** openings in 2021 to 139 points of sale
- +50%** of products resold in 2021 through Fnac 2nd vie or Darty Occasion
- +6pts** Durability score¹ (111 in 2021)

OUR COMMITMENTS

- Help customers to make an **educated choice**
 - Encourage **repairs**, give a **second life** to products and ensure **waste collection** and **recycling**
 - Contribute to **public debate** around **sustainability**
- **2.5M PRODUCTS REPAIR BY 2025**
 - **DURABILITY SCORE¹ OF 135 BY 2025**

OUR ACTIONS

- Highlight the most **sustainable products** through the **After-Sales Service Barometer** and the **Sustainable Choice label**
- Deployment of **subscription repair service, Darty Max** through B2C and B2B
- Rapid development of the **second-hand product offers**
- Continuation of partnerships with the **social inclusion body, "Envie"**

¹ Products durability scores weighted by volumes

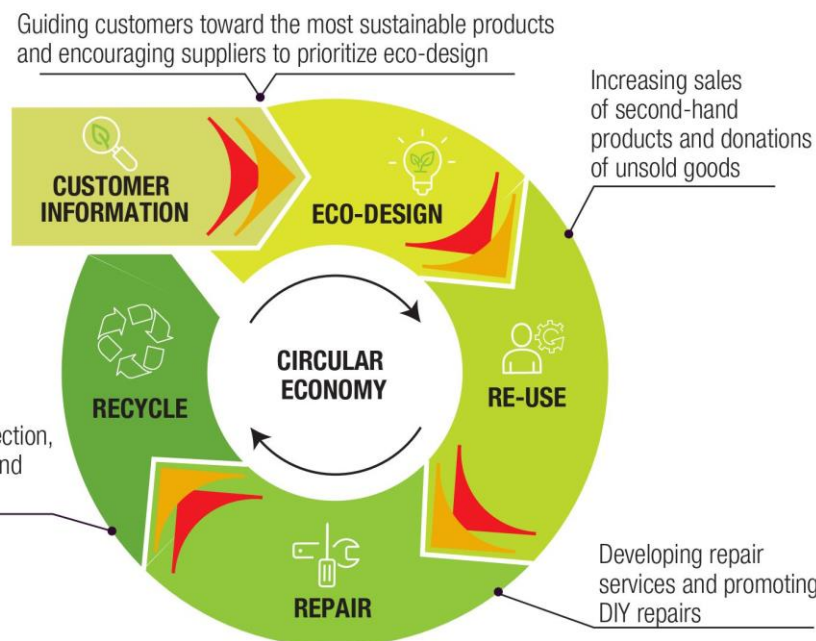
² OpinionWay study carried out online, from December 15 to 16, 2021, with a sample of 1,013 people representative of the French population aged 18 and over



FNAC DARTY, A RESPONSIBLE COMPANY

FOCUS ON A STRONG COMMITMENT TOWARD A MORE CIRCULAR ECONOMY

A strong commitment to the **circular economy** with a clear engagement in **extending product durability** through a **unique service proposal**



Labofnac
Tests, actu et comparatifs high-tech

849 tests on 447 products carried out in 2021

SCORE DE DURABILITE
111



A sustainability score of 111 in 2021, up +6pts vs. 2020



More than 150 products labelled Sustainable choice by Darty and Fnac



Launch of the 5th "After-sales service barometer" in September 2022



Products resold in 2021 up +50% vs. 2020



Extension in 2021 of the partnership to offer a fast and efficient book return service



More than €10 million were donated to associations in 2021



ecosystem
recycler c'est protéger

approx. 52,000 tones of waste collected and recycled in 2021 at Group level

"2 for 1" collecting systems

FNAC DARTY recycling yard since 1994



500,000 Darty Max subscribers at the end of 2021



Launch of Vanden Borre Life in 2021 for large domestic appliances



139 WeFix point of sales at the end of 2021



+2.1 million of products repaired in 2021

FNAC DARTY No. 1 COLLECTOR OF WEEE IN FRANCE



FNAC DARTY No. 1 REPAIR PROVIDER IN FRANCE¹

¹ OpinionWay study carried out online, from December 15 to 16, 2021, with a sample of 1,013 people representative of the French population aged 18 and over.

FNAC DARTY, AN ECONOMIC, SOCIAL AND CULTURAL ACTOR



OUR RECENT ACHIEVEMENTS



#1

Bookstore in France
Ticket vendor in France
Record shop owner in France



Creation of a digital medium, **La Claque Fnac**



Fnac new digital platform: **L'Eclaireur Fnac**

971

multi-format stores mainly located in France

5,700

free cultural events organized, in-store and online

>10M€

in donations



OUR COMMITMENTS

- Provide **access to culture** to as many people as possible
- Increase the **positive impact on the territories** (employment and solidarity)



OUR ACTIONS

- Gradually **expansion of the territorial network** with the opening of some additional stores every year mainly in Franchise
- Continuation of **cultural events in stores and online**
- **Solidarity operations** maintained despite the context
- 2,931 local projects financed by the Nature & Découvertes Foundation (128 in 2021)
- Historical partner of the "Pass Culture¹" in France



¹ The "Pass Culture" allows young people aged 18 of having a budget of €300 for 24 months to enjoy cultural activities in France

FNAC DARTY'S CLIMATE STRATEGY



OUR RECENT ACHIEVEMENTS

NEW

Member of the **Ambition 4 Climate movement**



Signature of the **Charter of Commitments** for Reducing the Environmental Impact of E-Commerce

-14%

in its CO₂ revenue-related emissions compared to 2019

24%

renewable energy in France

99%

renewable energy in Spain, Portugal, Belgium and Switzerland



OUR COMMITMENTS

- Limiting the environmental impact of our activities through an ambitious CO₂ and waste policy



- **REDUCING BY 50% CO₂ EMISSIONS BY 2030 vs. 2019 (scope 1+2)**



OUR ACTIONS

• Transport

- ✓ Optimisation of flow and truck filling
- ✓ Renewal of part of Diesel truck fleet with Compressed Natural Gas (CNG) trucks
- ✓ Selection of partners with less impact on environment
- ✓ Effective actions to reduce delivery failures and to develop in-store pick-up
- ✓ launched the "Informed Delivery" information which allows customers to estimate the environmental impact of the various delivery methods

• Energy consumption

- ✓ Investing in equipment to reduce energy consumption: central building energy management system, LED roll-out
- ✓ Signature of a 10-year Corporate PPA agreement with Valeco for the construction and operation of a photovoltaic farm in France



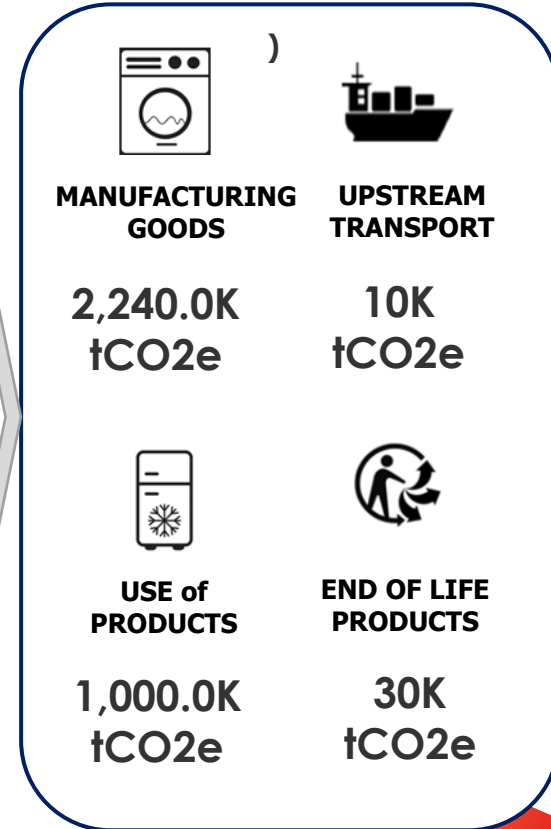
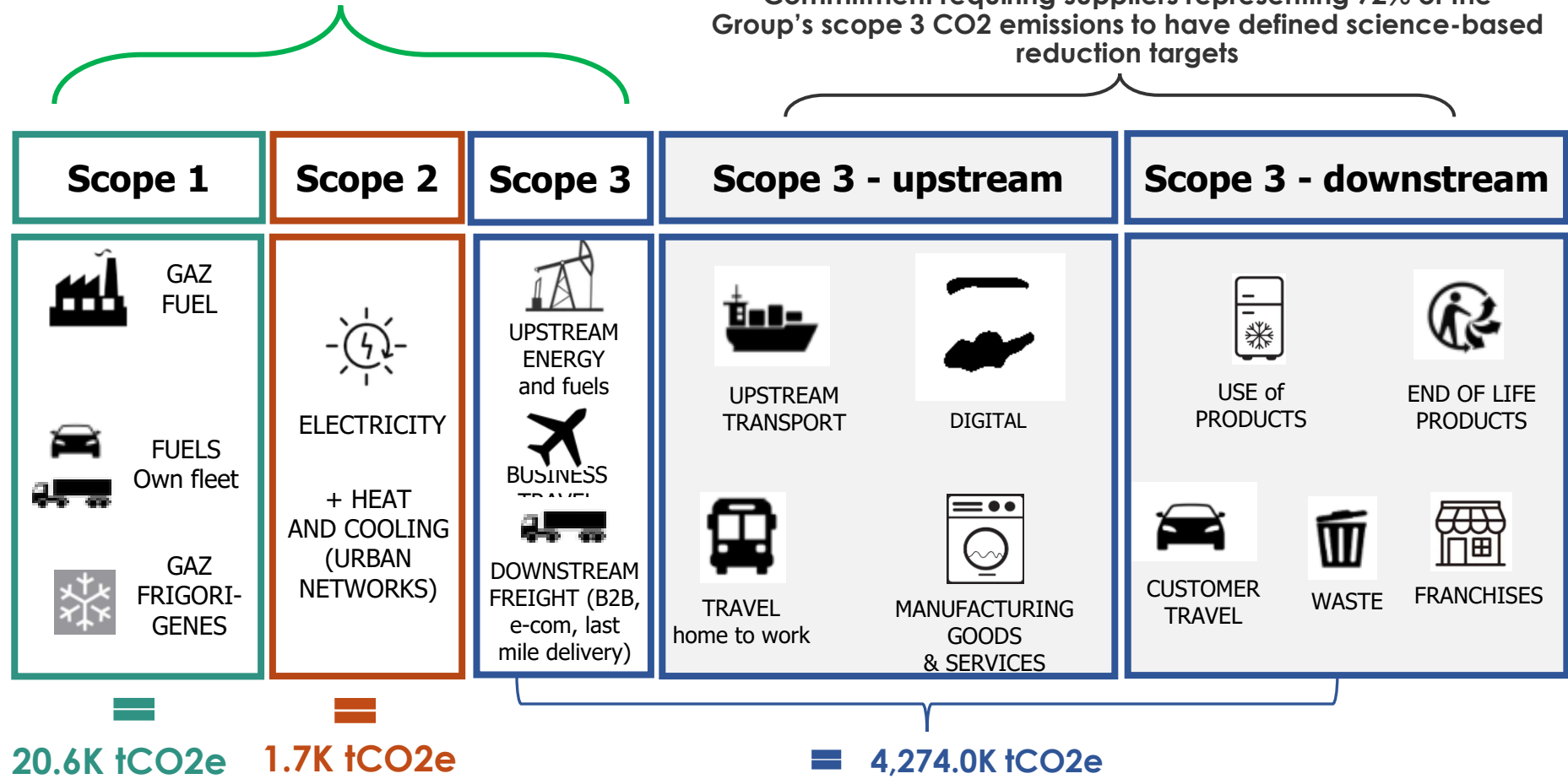
FNAC DARTY'S CLIMATE STRATEGY

SCOPE OF COVERAGE

FNAC DARTY IS COMMITTED TO REDUCING CO₂ EMISSIONS BY 50% BY 2030 vs. 2019

Commitment requiring suppliers representing 72% of the Group's scope 3 CO₂ emissions to have defined science-based reduction targets

Products sold = 90% Group's scope 3 CO₂ emissions (76% with customer travel)



HUMAN CAPITAL OUR KEY ASSET

DEVELOP SKILLS AND EMPLOYABILITY



OUR RECENT ACHIEVEMENTS

16%

Staff turnover

88%

Percentage of open-ended contracts

>12
yrs

Average seniority of employees on open-ended contracts

94%

Percentage of total headcount trained via classroom programs or remotely during the year

>15
hrs

Average number of training hours per employee trained via classroom programs



OUR COMMITMENTS

- Continuation of strategic training programs
- Development of sales expertise and strengthening managers' leadership skills
- Development of programs to train in professions where staff are harder to find



• RECRUIT 500 ADDITIONAL TECHNICIANS BY 2025



OUR ACTIONS

- In-house training Academy
- 18-month graduation program, **Project Manager 2020** – 700+ employees trained
- 18-month / 84-hour graduation program, **Excellence Client** – 800+ employees trained
- Launch of the **Tech Academy** and ongoing opening of 13 apprentice classes in France to develop technicians' skills
- 1st retailer to launch in October 2022 a company **CFA (Apprentice Training Center)** for domestic appliance repair technicians
- Signature of a first agreement on **Job and Career Management**



HUMAN CAPITAL OUR KEY ASSET

PROMOTE GENDER EQUALITY AND QUALITY OF LIFE AT WORK



OUR RECENT ACHIEVEMENTS

Professional equality

39% women in the total workforce

27% women in the Leadership Group¹

46% women in the Executive Team

88
/100 gender equality index

Diversity & professional integration

5.0% people with disabilities in the total workforce as of December 31

12% percentage of employees on open-ended contracts who are young people



OUR COMMITMENTS

- Guaranteeing equal treatment, promoting diversity in its teams, and fostering equal opportunities



- **MAINTAIN >40% OF THE UNDER-REPRESENTED GENDER ON THE EXECUTIVE COMMITTEE BY 2025**
- **35% FEMALE REPRESENTATION IN THE “LEADERSHIP GROUP” BY 2025**



OUR ACTIONS

- Support for **women in leadership positions**¹ – partnership with Assises de la Parité
- **Female Store Manager Program** launched in 2018
- Signing of the **Diversity Charter**
- Creation of an **internal network dedicated to gender**
- First agreement signed on **Quality of Life at Work**

¹ Top 200 managers in the Group



HUMAN CAPITAL OUR KEY ASSET

GUARANTEE HEALTH & SAFETY AND DEVELOP COMMITMENT



OUR RECENT ACHIEVEMENTS

Employee commitment

7/10 internal net promoting score at Group level¹

c.20% overall subscription rate to employee stock purchase plan

10% Nature & Découvertes' employees members of a green network, lever of commitment

Employee health and safety

45,125 hrs total number of hours of safety training



OUR COMMITMENTS

- Give **meaning to work** and manage **employee commitment**
- **Prevention** for delivery and installation personnel and **after-sales technicians**
- **Risk prevention in logistics:**



- **c.40M€ OF ADDITIONAL CAPEX BY 2025 ALLOCATED TO MODERNIZE LOGISTICS WAREHOUSE**



OUR ACTIONS

- A digital, short and monthly **employees survey** **Supermod**
- **Employee stock purchase plans** implemented in 2018 and 2019
- **Modernization of one of the Group's warehouse** continued with the extension of a fully-automated solution to reduce handling work and to optimize workstation ergonomics
- Signing of the **Charter of employers** committed to road safety in 2018
- First agreement signed on **teleworking** for 3 days max/week

¹ c.70% of respondents recommend Fnac Darty as a great place to work (% of scores from 7 to 10, on a scale from 0 to 10)



FNAC DARTY FACES ETHICAL REQUIREMENTS



OUR RECENT ACHIEVEMENTS

NEW

BUSINESS CODE OF CONDUCT in Feb 2021 available in all countries where the Group operates

RE-BUILD

the **warning system** has been completely redesigned, with the implementation of an **outsourced ethical alert platform**

28

number of **alerts** received, processed and reviewed, of which 18 were not relevant

>130_{ME}

taxes and contributions paid in each country where the Group operates (94% in France)



OUR COMMITMENTS

- Protecting the personal data of employees and customers
- Preventing the risks of corruption Implementing a Vigilance Plan
- Ensuring fiscal responsibility



OUR ACTIONS

- Ensure **compliance** with regard to **cookies and advertising tracking techniques**
- Integrate tests on compliance with the requirements of the French Sapin II law during **audits and in self-assessment questionnaires**
- Incorporate **ethics training** into the mandatory training courses which must be done by all employees
- Establishment of **ethical referents in all countries** to ensure wider dissemination and compliance with the ethical processes
- **Standardize** the **tax risk recognition process** and increase **transparent** in terms of tax paid by country

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