



2023 | **ESG**
PRESENTATION



FNAC DARTY



A EUROPEAN OMNICHANNEL LEADER WITH AN EFFICIENT CENTRALISED OPERATIONS PLATFORM

🏷️ **€8bn Group revenue in 2022 – 25,000 employees**

🏷️ **Top European omnichannel retailer**

- 22% of total sales in 2022 are online sales
- c. 50% of online sales are omnichannel (Click&Collect)

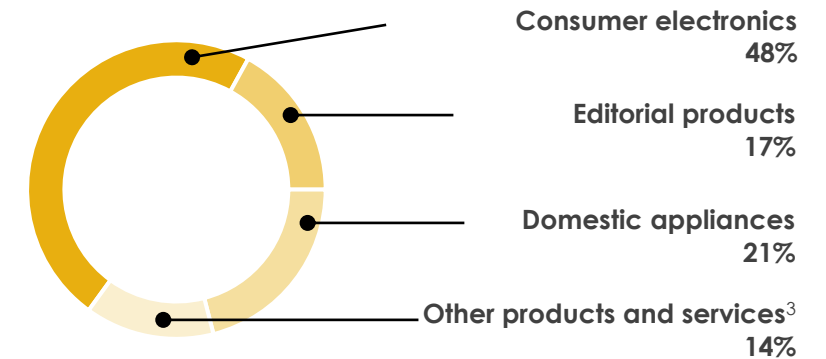
🏷️ **987 multiformat stores¹**

- 567 owned (57%) and 420 franchised stores (43%)
- c. 90% of customers have a store less than 15' from home

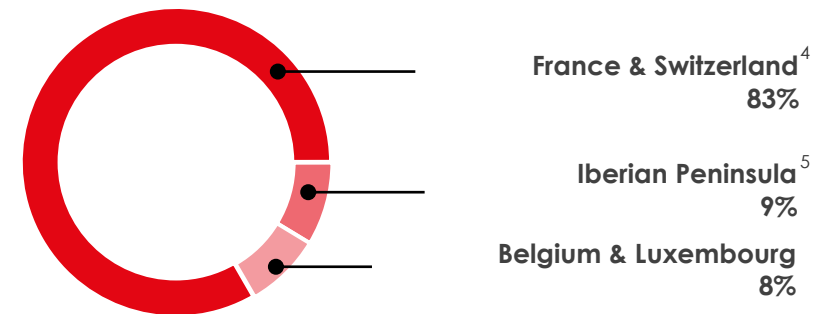
🏷️ **No. 1 after-sales service in France²**

- 2.3 million products repaired in 2022
- c. 3,000 employees dedicated to after-sales service

2022 revenue breakdown by category



2022 revenue breakdown by region



¹ As of 31 December 2022

² Internal customer studies

³ Including ticketing, B2B, after sales service, franchise fees, insurance, consumer credit

GROUP CSR STRATEGY

FNAC DARTY



CSR AMBITION FULLY INCLUDED IN OUR STRATEGIC PLAN

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

» **Build a digitized omnichannel retail**

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



» **Lead durable behaviors**

OUR 5-PILLAR CSR STRATEGY CREATES SUSTAINABLE VALUE



Commit to **product sustainability** through our product offer and advice to customers

Work towards an **omnichannel customer experience** tailored to every need

Offer the **best services** in line with new consumer behaviors

Provide a **diversified product** offer to promote **access to culture**

A RESPONSIBLE RETAILER VALUED BY ESG RATING AGENCIES



A- rating
vs. sector at C



Low ESG Risk
12.1



A1+
(Advanced)
based on an overall
score of **61/100**
(+ 7bps yoy)



AA in 2022 for the
fourth consecutive
time



71/100 in 2022
vs. 66/100 in 2021



OUR CSR RELATED AMBITIONS WILL CONTRIBUTE TO ACHIEVE OUR FINANCIAL TARGETS

EVERYDAY AMBITIONS

BUILD A DIGITIZED OMNICHANNEL RETAIL

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

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

SCALE THE NEXT IN-HOME SUBSCRIPTION-BASED REPAIR SERVICE

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

ESG RELATED OBJECTIVES BY 2025

BUSINESS VALUE ADDED

- ✓ 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

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

- ✓ **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**

FINANCIAL OBJECTIVES BY 2025

Generating strong cash-flow

- ✓ **Cumulative Free Cash Flow²c.€500m 2021-2024**
- ✓ **Run rate Free Cash Flow² ≥ €240m in 2025**

FNAC DARTY PROFILE IN 2025



135

“Durability score”
by 2025⁵

c.2.5m

Products repaired in 2025⁶

-50%

Transport & energy CO₂
emissions in 2030 vs 2019



>30%

Online revenue penetration
by 2025

>2M

Subscribers to our unlimited repairs
subscription program by 2025

100%

Stores profitable by 2025¹

c.€120m

Total annual normative capex budget
over the period by 2025²

≥ €240m

Run rate Free Cash Flow³ in 2025

**Conservative
Financial Policy**

Leverage⁴ of max 2.0x

Shareholder Return

>30% mid-term payout ratio

Add. opportunistic shareholder
return



¹Group owned stores perimeter

²Excluding major strategic initiatives

³Net 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

⁴ Leverage measured with net debt excluding IFRS16 and 12-month rolling EBITDA excluding IFRS16

⁵ Durability scores weighed by volumes

⁶ Repaired or dysfunction resolved

Q&A






FNAC DARTY

APPENDIX

FNAC DARTY



EVERYDAY PLAN CSR OBJECTIVES

EVERYDAY PLAN CSR OBJECTIVES		PERFORMANCES	
		2019 <small>(reference year)</small>	2022
	-50% reduction in CO ₂ emissions from energy and transport by 2030	82K tCO ₂ e	68K tCO ₂ e -17%
	2.5 M products repaired by 2025	1.8 million	2.3 million
	135 score de durabilité in 2025	100	115
	2 M Darty Max subscribers by 2025	0	800 000
	35% women in Leadership Group by 2025	24.3%	30.3%

GOVERNANCE

FNAC DARTY



A SOLID AND DIVERSIFIED BOARD OF DIRECTORS



JACQUES VEYRAT
CHAIRMAN of the board



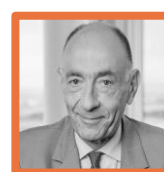
OLIVIER
DUHA



CAROLINE
GREGOIRE
SAINTE-MARIE



LAURE
HAUSEUX



JEAN-MARC
JANAILLAC



ENRIQUE
MARTINEZ



STEFANIE
MEYER



SANDRA
LAGUMINA



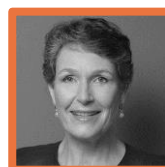
NONCE
PAOLINI



JAVIER
SANTISO



BRIGITTE
TAITTINGER
JOUYET



DANIELA
WEBER-REY



JULIEN
DUCREUX



FRANCK
MAURIN



- **78%** of independent members
- **53%** of women
- **2** Directors representing employees
- **4 committees** chaired by independent Directors of which:

- Audit Committee
- Appointments & Compensation Committee
- Strategy Committee
- Corporate, Environmental & Social Responsibility Committee

A QUALIFIED AND EXPERIENCED EXECUTIVE COMMITTEE



ENRIQUE MARTINEZ
CHIEF EXECUTIVE OFFICER

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



JEAN-BRIEUC LE TINIER
CHIEF FINANCIAL OFFICER



CHARLES-HENRI DE MALEISSYE
FNAC VANDEN BORRE BELGIUM
CEO



CELINE TRUNET FAVRE
COMMUNICATIONS & PUBLIC AFFAIRS
Director



FRANCOIS GAZUIT
OPERATIONS
Director



TIFFANY FOUCAULT
HUMAN RESOURCES
Director



ANNABELLE CHAUSSAT
FNAC SPAIN
Managing Director



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



JULIEN PEYRAFITTE
COMMERCIAL
Director



VINCENT GUFFLET
SERVICES AND OPERATIONS
Director



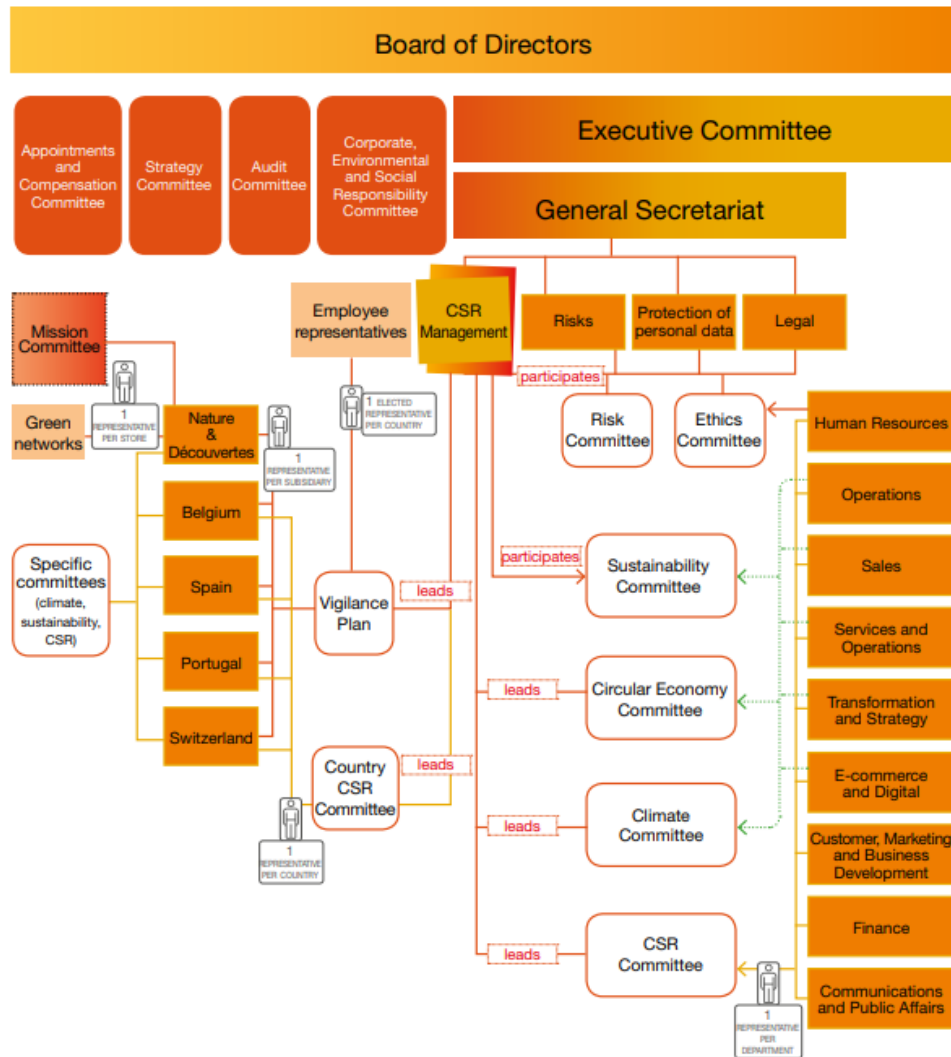
FLORENCE LEMETAIS
CLIENT, MARKETING AND BUSINESS DEVELOPMENT Director



OLIVIER THEULLE
E-COMMERCE AND DIGITAL
Director

46% of women

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), chaired 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), chaired by the General Counsel in charge of CSR and Governance, manages the issues related to **waste recycling**

CSR IS PART OF THE REMUNERATION POLICY

- **10% of the total bonus of the CEO is linked to CSR objectives**, 5% of which to the Group's reduction in energy consumption
- **10% of the total bonus of the Executive Committee** members is related to **CSR objectives**, 5% of which on specific indicator and 5% on reduction in energy consumption
- CSR criteria in the variable compensation with **10% of the bonus of all Group managers** based on CSR objectives
- 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 an increased focus on climate**
- Presence of a director representing the employees at the **Appointments and Compensation 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**

CSR PILLARS

FNAC DARTY



GROUP'S CSR RISKS FALL INTO FOUR MAIN CATEGORIES

KEY ISSUES

SUSTAINABILITY OF THE BUSINESS MODEL & NEW PATTERNS CONSUMPTION

THE CLIMATE EMERGENCY AND ITS CONSEQUENCES FOR THE COMPANY

BUSINESS LINE DEVELOPMENT AND THE ORGANIZATION OF WORK, IN THE CONTEXT OF A SHORTAGE OF TECHNICAL PROFILES AND A TALENT WAR

THE ETHICS OF ALL PARTIES IN AN ECOSYSTEM OF PARTNERSHIP

FOCUS

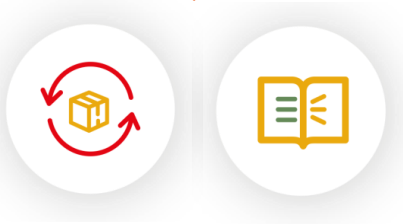
Promote sustainable consumption & an educated choice
Contribute to the social & cultural development of territories

Reduce impact on the climate

Develop our most valuable asset: people

Act ethically throughout our value chain

CSR POLICY PILLARS





PROMOTING SUSTAINABLE CONSUMPTION

Durability score

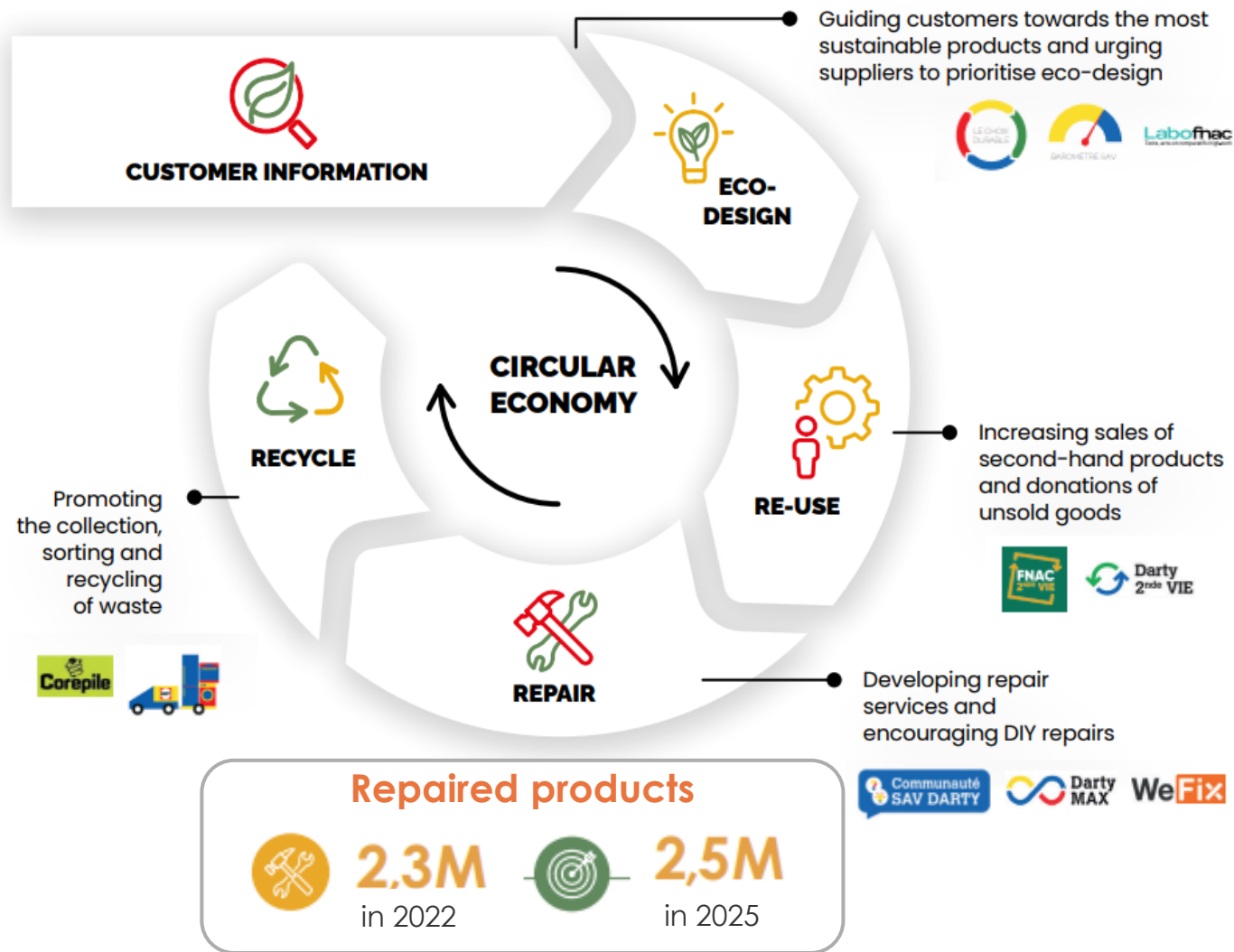
115
in 2022

135
in 2025

Recycle

Launch of free collection of large household appliances, with no purchase necessary

1st collector of WEEE in France



Repaired products

2.3M in 2022

2,5M in 2025

2nd life

1.5 M
Second Life products sold in 2022

500 K
donated products

Darty Max

800K in 2022

2M in 2025



AN ECONOMIC, SOCIAL AND CULTURAL ACTOR

ACCESS TO CULTURE FOR ALL !

KEY FIGURES FOR 2022



7,000

Fnac cultural events in-store worldwide



NO. 1

ticket seller in France



NO. 1

book seller in France



NO. 1

music seller in France

CONTRIBUTING TO LOCAL AND REGIONAL DEVELOPMENT



KEY FIGURES FOR 2022



53

stores opened in 2022



987

stores by end-2022

IMPLEMENTING SOLIDARITY-BASED ACTIONS

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



FNAC DARTY'S CLIMATE STRATEGY

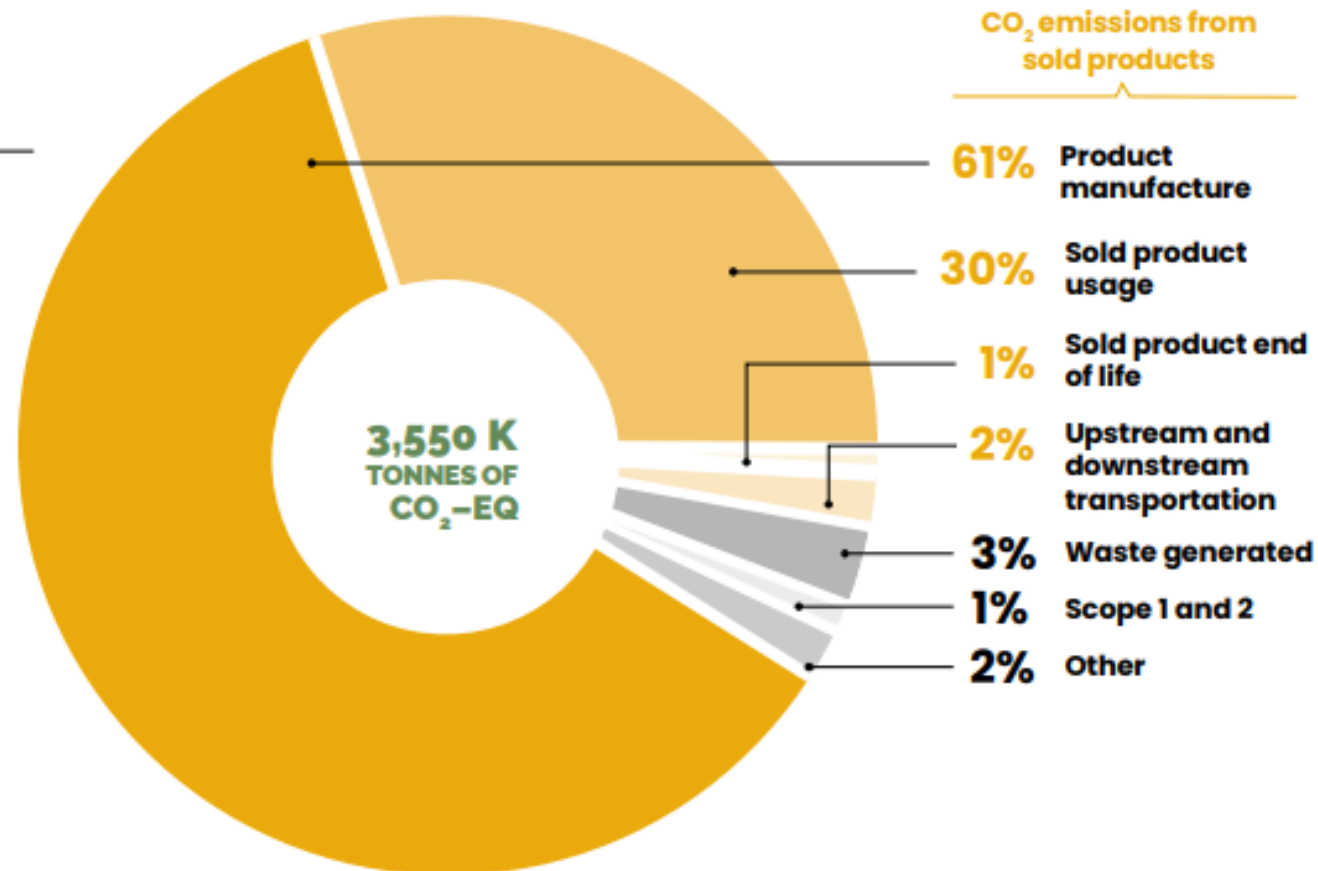
BREAKDOWN OF CARBON EMISSIONS 2022

(SCOPE 1/2/3 EMISSIONS)

- Product emissions - 94%
- Other - 6%

Scope 1 and 2: our direct emissions (energy, transportation) accounting for **22 K tonnes** of CO₂-eq*.

Scope 3: 3,500 K tonnes of CO₂-eq*, 94% related to our products within the entire life cycle (manufacturing, transportation, usage, end of life).

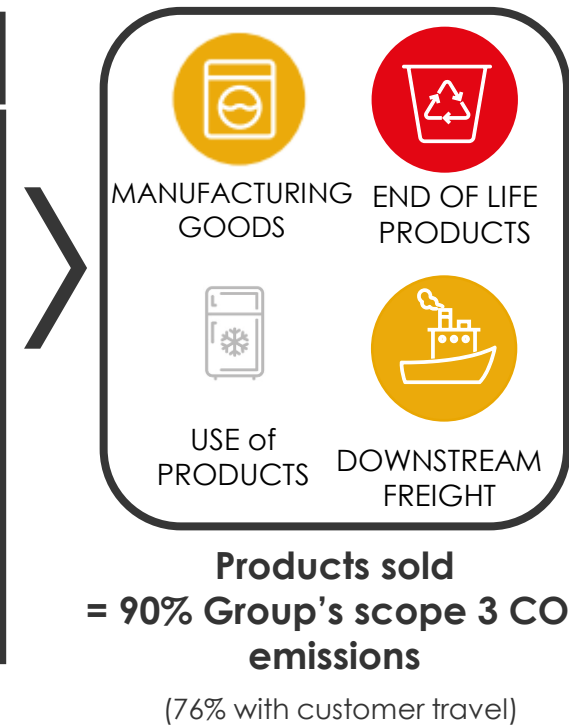
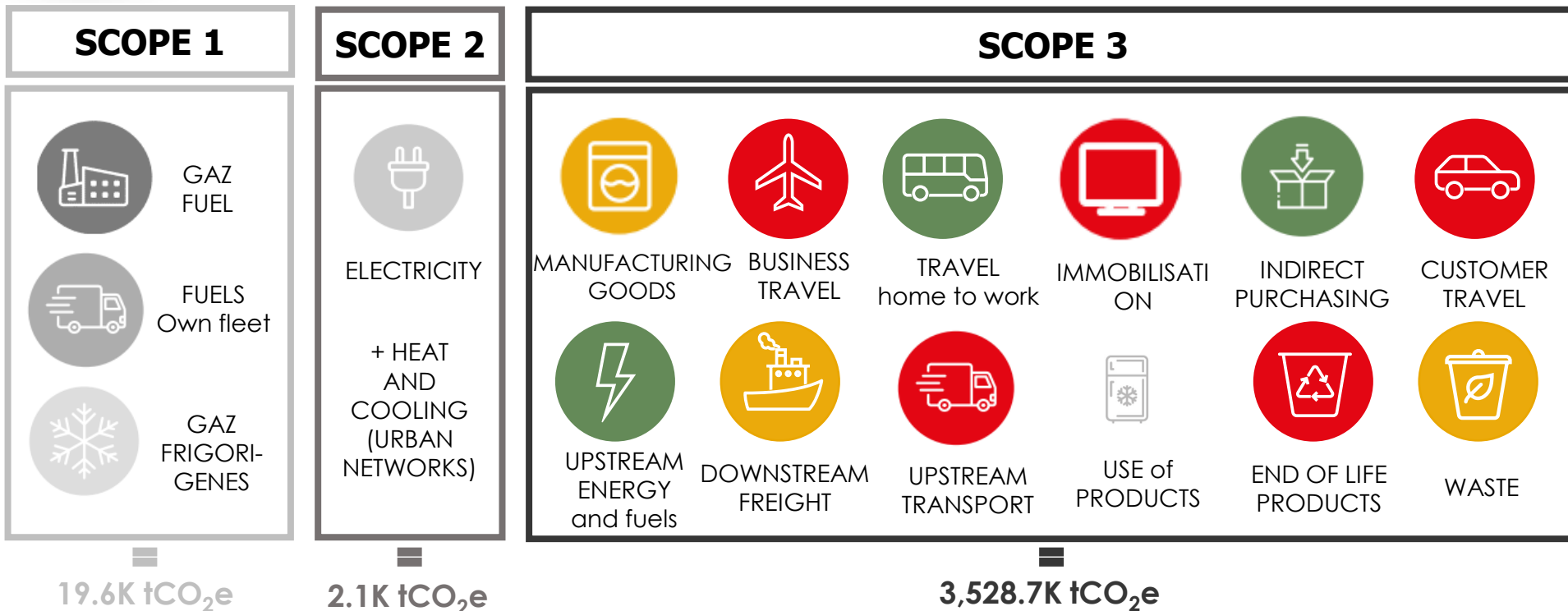


*Carbon dioxide is the main greenhouse gas (GHG), but not the only one. To simplify the measurement of GHG emissions, other gases use a conversion factor (Global Warming Potential - GWP). The unit of measure is expressed as "CO₂ equivalent".

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



FNAC DARTY'S CLIMATE STRATEGY



50% reduction in emissions by 2030 vs. 2019



Reduce emissions from the used of products sold by 22%, out to 2030 vs. 2019



FNAC DARTY'S CLIMATE STRATEGY

REDUCING THE IMPACT OF OUR ENERGY CONSUMPTION

KEY FIGURES FOR 2022



-12%

CO₂-eq emissions from energy consumption across sites vs 2021



47%

renewables in 2022



Signing of the **EcoWatt and EcoGaz Commitment Charters**



NEW SOLAR FARM
A project combining green energy production and biodiversity protection

REDUCING THE IMPACT OF OUR GOODS TRANSPORTATION

KEY FIGURES FOR 2022



-17%

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



-20%

in CO₂ emissions from last-mile deliveries (vs 2021)



URBAN DELIVERIES BY FNAC



HUMAN CAPITAL, OUR KEY ASSET

25,000

employees, 19,000
of whom are in France

13 YEARS

average
seniority

88%

of all contracts
were permanent

94%

of employees trained

CAPITALISING ON ALL OUR TALENT

KEY FIGURES FOR 2022



38%

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)

AN INCLUSIVE WORK ENVIRONMENT



7,14 %

of Fnac Darty employees in France
are disabled

Fnac Darty has set up **two work-linked training classes dedicated to people with disabilities** and hires many hearing-impaired people.



autre cercle



LUTTE CONTRE
LES AGISSEMENTS
SEXISTES

Fnac Darty has signed the **charter of commitment in favour of the inclusion of LGBT+ people** promoted by the association l'Autre Cercle.

SUPPORTING PERSONAL AND CAREER DEVELOPMENT

KEY FIGURES FOR 2022



94%

of employees trained



15 hrs

per employee trained



61%

Of which
in-classroom



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 FACES ETHICAL REQUIREMENTS

ETHICS GUIDELINE

It formalises our commitments wherever the Group operates and comprises the following documents:

- Code of Business Conduct
- Gifts and Benefits Charter
- Charter for the Prevention of Conflicts of Interest



AN ETHICS ALERT
platform, accessible to all.

WhistleB

PROTECTING PERSONAL DATA

- 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



6.8 BILLION

malicious requests blocked in 2022

SUPPLIER RELATIONS AND RESPONSIBLE PURCHASING

In early 2022, the French of the Economy and Finance awarded the Group the label for three years.



64%

of tenders included CSR criteria in 2022

PREVENTING RISKS VIA A VIGILANCE PLAN

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

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.

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FNAC DARTY

