

2024

ESG
PRESENTATION

FNAC DARTY

LEADING EUROPEAN OMNICHANNEL RETAILER WITH A DIVERSE AND BALANCED RANGE OF PRODUCTS AND SERVICES

🏷️ €7.9bn Group revenue in 2023 – ~25,000 employees

🏷️ **Top European omnichannel retailer**

- **70 million+** checkout transactions
- **22%** of total sales in 2023 are online sales
- **50%** of online sales are omnichannel (click & collect)

🏷️ **High level of customer satisfaction: +2pts NPS 2023 vs. 2022**

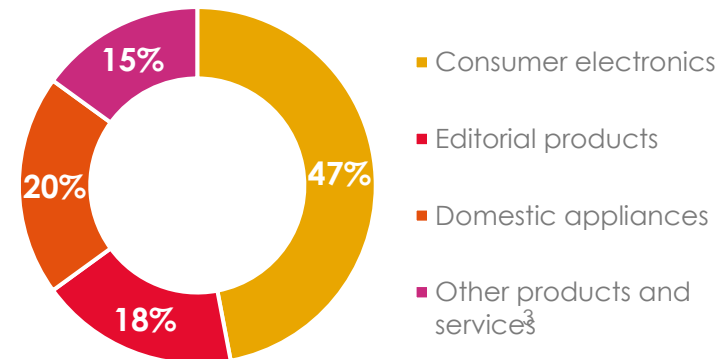
🏷️ **1,010 multiformat stores¹**

- **437** franchises stores (43%)
- **c. 90%** of customers have a store less than 15' from home

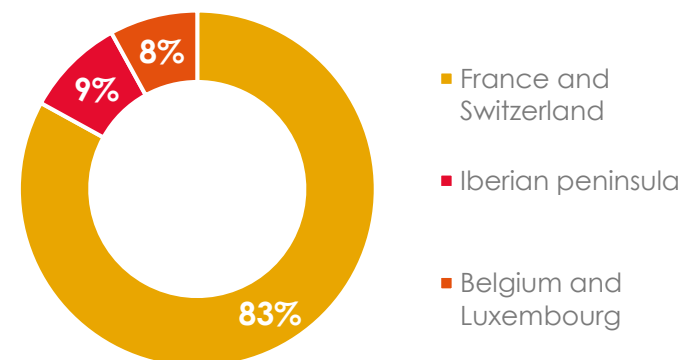
🏷️ **No. 1 after-sales service in France²**

- **2.5** million products repaired in 2023
- **c. 3,000** employees dedicated to after-sales service
- **1.1 million+** Darty Max subscribers
- **11 million** members / subscribers

2023 revenue breakdown by category



2023 revenue breakdown by region



¹ As of 31 December 2023

² Internal customer studies

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



GROUP ESG STRATEGY

FNAC DARTY

CSR AMBITION FULLY INCLUDED IN OUR STRATEGIC PLAN

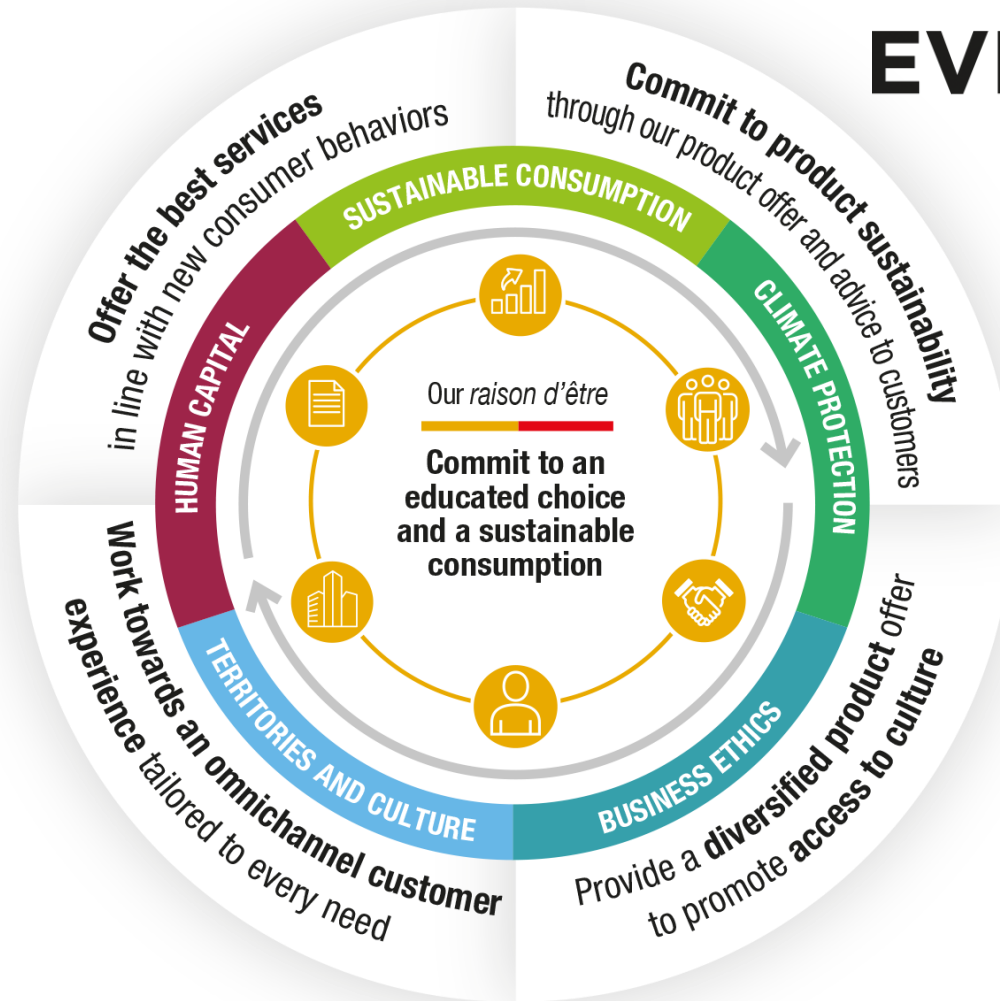
EVERYDAY 

Build a digitized omnichannel retail

- Best-in-class online capacities
- A profitable and digitized store network
- A high-value offer

Scale the next in-home subscription-based assistance service

- Unlocking the full potential of our exclusive unlimited repairs subscription program



Lead durable behaviors

- A more sustainable offer, combined with customers' orientation towards sustainable products
- The promotion of responsible behaviors, notably through eased access to repair

SUSTAINABLE VALUE CREATION

2023 KEY ACHIEVEMENTS



-26%

Reduction in CO₂ emissions from energy and transport



-17%

Reduction in electricity consumption



2.5M

Products repaired



118

Sustainability Score



33%

Part of women in the Leadership Group¹



A-

Amongst 22% of companies that reached Leadership level

¹ Leadership Group: Top 200 managers

A RESPONSIBLE RETAILER VALUED BY ESG RATING AGENCIES



Year	CDP	Sustainalytics	MSCI	ISS ESG	EthiFinance
2023	A-	12.8 Low ESG Risk	AA	C	68/100
2022	A-	12.0	AA	C-	71/100
2021	A-	11.4	AA	C-	66/100
2020	C	11.5	AA	C-	63/100



OUR CSR RELATED AMBITIONS WILL CONTRIBUTE TO ACHIEVE OUR FINANCIAL TARGETS

EVERYDAY AMBITIONS

BUILD A DIGITIZED OMNICHANNEL RETAIL

LEAD DURABLE BEHAVIORS

SCALE THE NEXT IN-HOME SUBSCRIPTION-BASED REPAIR SERVICE

ESG RELATED OBJECTIVES BY 2025

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

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

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

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

Sustainability score in 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
(reference year)

2023



-50%

reduction in CO₂ emissions from energy and transport by 2030

82K tCO₂e

60K tCO₂e
-26%



2.5 M

products repaired by 2025

1.8 million

2.5 million



135

Durability score by 2025

100

118



2 M

Darty Max subscribers by 2025

0

1,125,000



35%

women in Leadership Group by 2025

24.3%

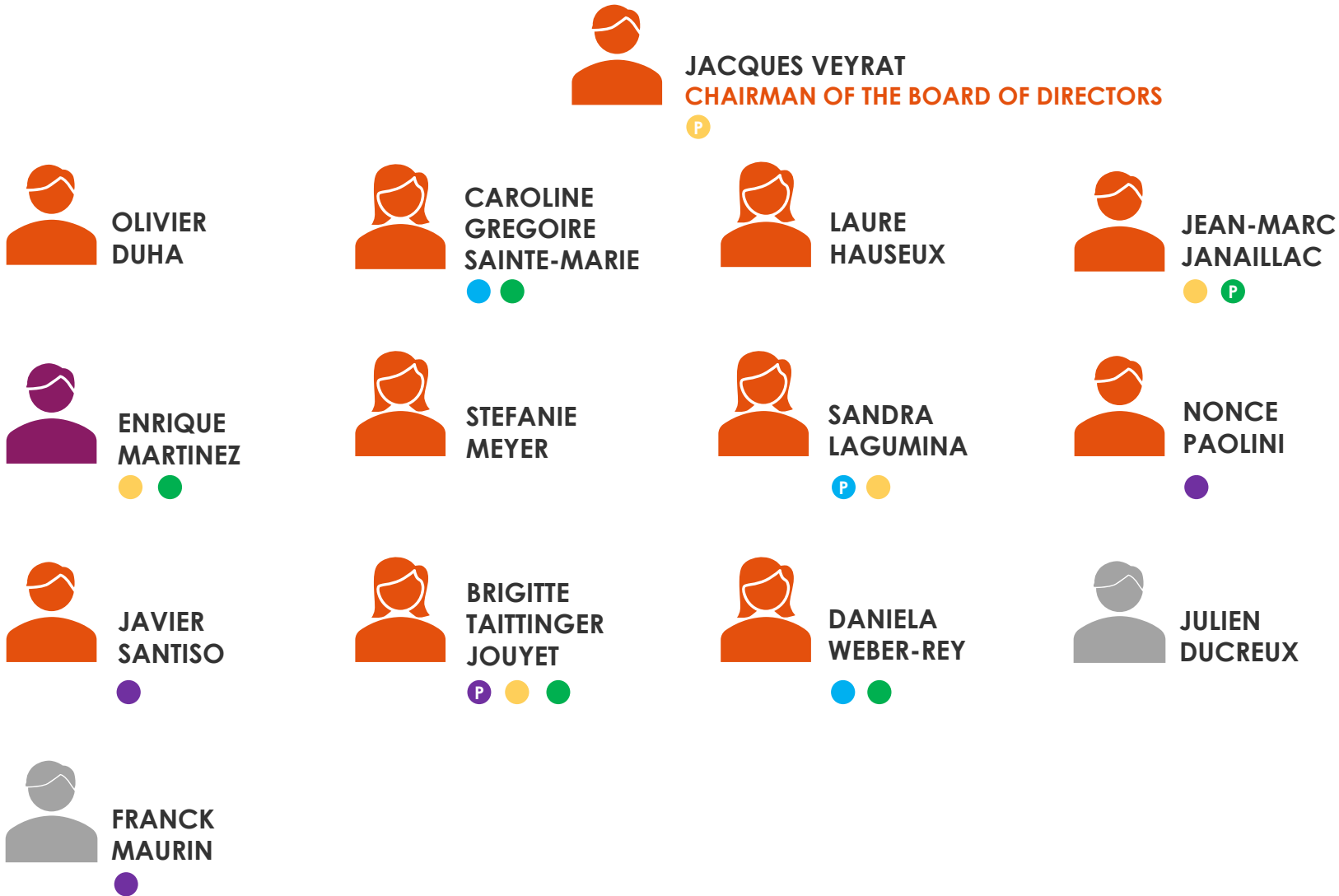
33.2%



GOVERNANCE

FNAC DARTY

A SOLID AND DIVERSIFIED BOARD OF DIRECTORS



- **92%** of independent¹ members
- **50%** of women¹
- **2** directors representing employees
- **4 committees** chaired by independent members:
 - Audit committee
 - A&C committee
 - Strategy committee
 - CESR 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



VINCENT GUFFLET
SERVICES AND OPERATIONS
Director



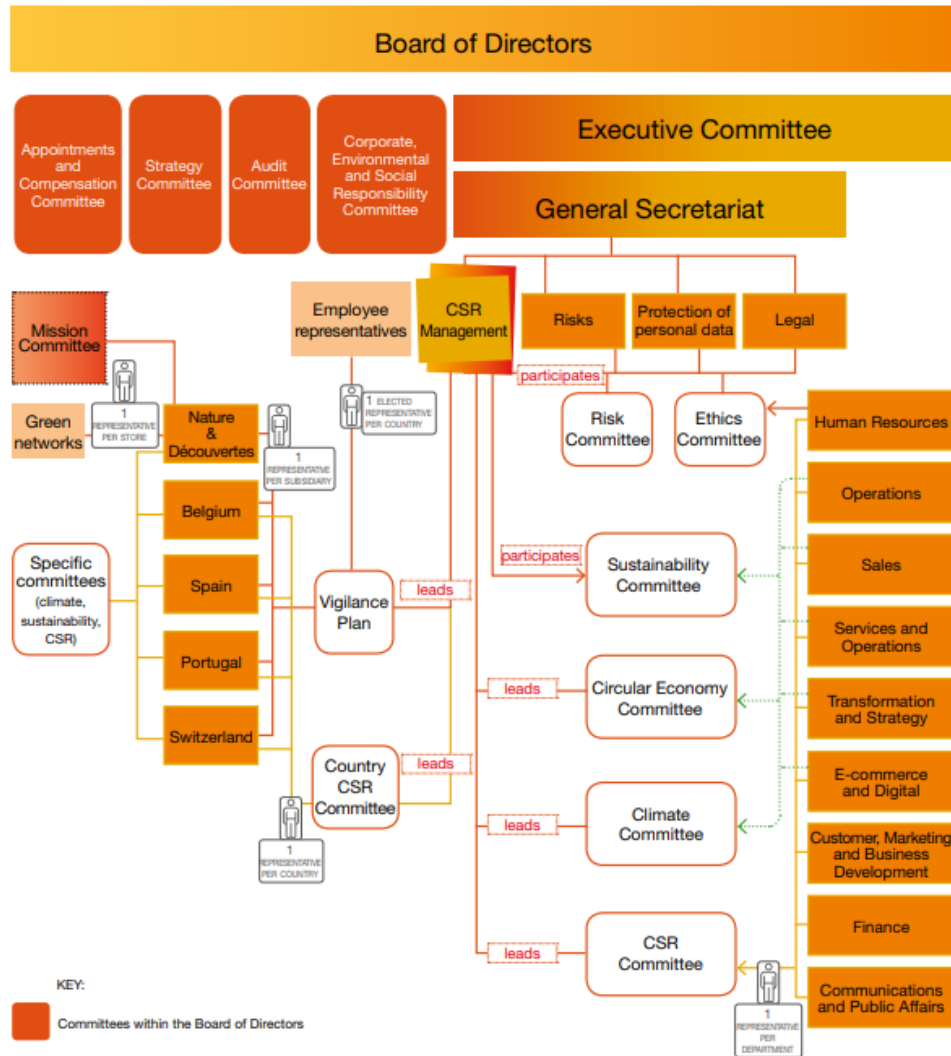
FLORENCE LEMETAIS
CLIENT, MARKETING AND BUSINESS DEVELOPMENT Director



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 AT THE HEART OF ALL PROFESSIONS THANKS TO DECENTRALIZED GOVERNANCE



Network, 1 representative in each store in France (+ 300 CSR representatives)

- Support customer discourse
- Create competition among all stores

Representatives within each department to integrate CSR at the heart of Operational Divisions:

- Support for Non-Financial Reporting
- Integration of CSR within Support Functions
- Operational Implementation of the Strategy

Committees in direct connection with the Group's Executive Management to integrate CSR at the heart of the Strategy:

- CESR Committee with Directors
- A&C Committee (France & International)
- Climate Committee
- Circular Economy Committee
- Sustainability Committee
- Ethics Committee



RAISE AWARENESS AND TRAIN

MAO BOA PLATFORM

Dissemination of the CSR strategy to all representatives
Training teams on CSR issues and strategy

2 TONNES WORKSHOP

Training of the Executive Committee and all French Management Committees (around 80 senior executives)

CLIMATE AND GOVERNANCE WORKSHOP

Comex and members of the board of directors

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

A CLIMATE STRATEGY THAT RESTS ON TWO PILLARS

SUSTAINABLE
CONSUMPTION



Support our customers in more **responsible consumption**

Develop **the repair**

Give a **second life** to products and optimizes their end of life

CLIMATE
PRESERVATION



Reduce the impact of our **energy consumption** and our **transport**

Reduce the footprint of products by raising customer awareness, extending their lifespan and offering less carbon-intensive products

Manage the commitment of our suppliers to involve our entire value chain



2 million Darty Max subscribers by 2025



2.5 million products repaired by 2025



50% reduction in emissions by 2030 vs. 2019 (energy and transports)

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

Suppliers representing 80% of emissions linked to manufacturing adopt objectives aligned with climate science by 2026

2023

1,125 million

2.5 million

-26%

-10%

60.5%

REDUCE CLIMATE IMPACTS



Development of the attractiveness of Darty Max and new sustainable services



- Visio maintenance
- Integration of all second life products within the scope of Darty Max
- Reward Darty Max subscribers who have their products serviced through a gift card



Decarbonization of all of our transport

- Renewal of the own fleet with low-emission for after-sales and last-mile vehicles
- Deployment of the use of biofuels for warehouse-store transport
- Reduction of unnecessary transport: development of remote repair, reduction of delivery failures



An ambitious energy sobriety plan

- Significant investments to reduce our consumption (store relamping and better-managed installations across the entire Fnac and Darty integrated store network)
- ISO 50 001 certification process in progress, to validate excellence in the field of energy management
- Distribution of a guide to all employees to anchor energy sobriety in the daily lives of teams



PROMOTING SUSTAINABLE CONSUMPTION

Durability score

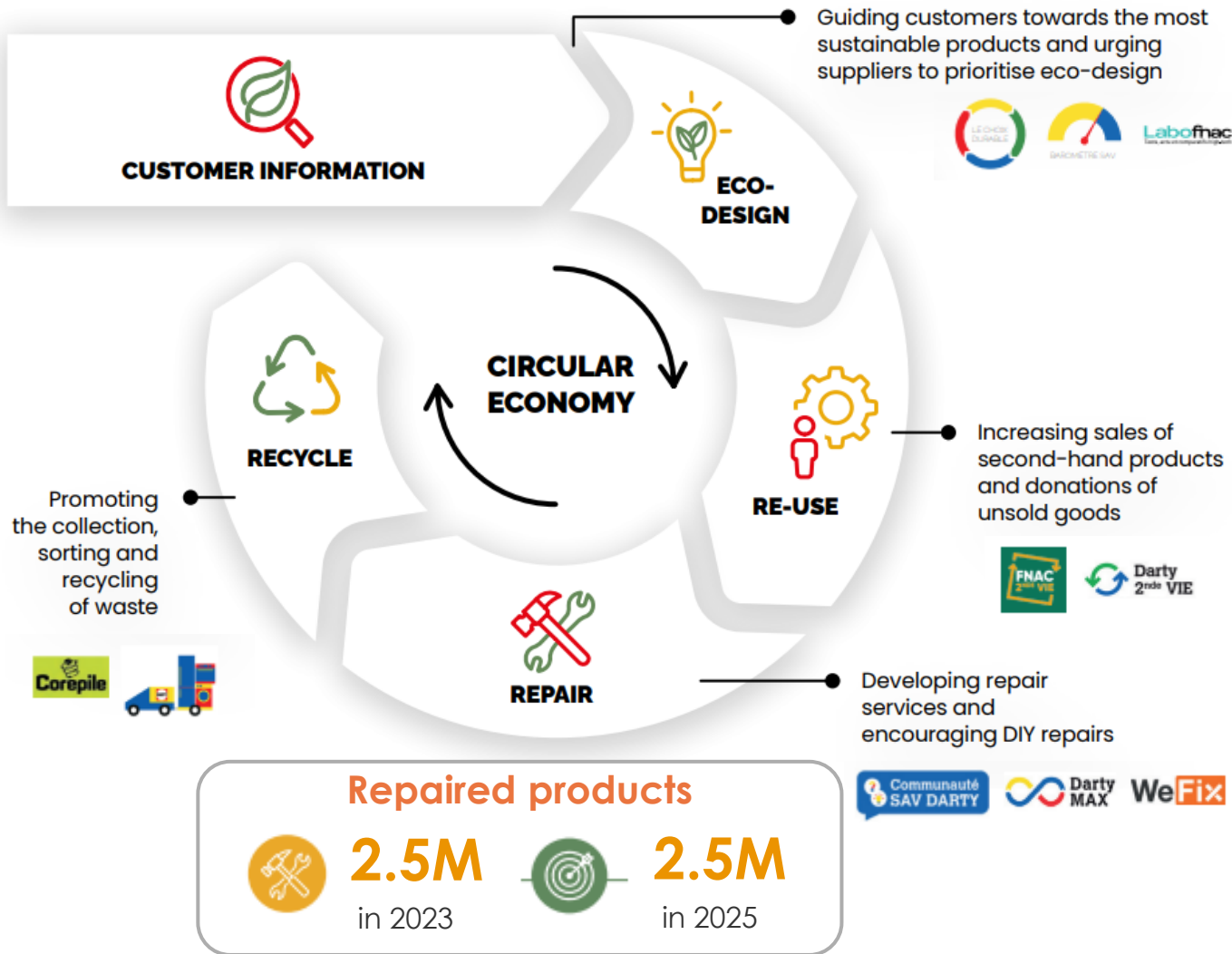
 **118**
in 2023

 **135**
in 2025

Recycle

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


 **1st collector of WEEE in France**




2nd life

€120M
GMV 2023
(+30% vs 2022)

Darty Max

 **1,125M**
in 2022

 **2M**
in 2025

Repaired products

 **2.5M**  **2.5M**
in 2023 in 2025

DEVELOP OUR MAIN ASSET: HUMAN CAPITAL

HUMAN CAPITAL



Attract and retain talent, particularly in shortage and growing professions



Recruitment of 500 technicians by 2025

2023

176 technicians graduated and 116 were recruited on permanent contracts following the training.

Capitalize on all talents

Breaking the glass ceiling: 35% women in group leadership by 2025

33.2% women in the Leadership Group
26.2% women in the “store manager” workforce

0 tolerance for sexist behavior

Supporting career developments

Skills development for the jobs of tomorrow

Nb of training hours per employee: 17.5 hours in 2023 vs. 14.9 hours in 2022

Develop a sense of belonging, social connection and quality of life at work

Guarantee of an inclusive working environment for all

Diagnosis carried out with Micity

DEVELOP OUR MAIN ASSET: HUMAN CAPITAL



#StOpe initiative

In 2023, the Group joined the #StOpE initiative, **Stop Ordinary Sexism in Business**, alongside 47 other new companies and organizations.

- Internal poster campaign
- Awareness webinar

initiative
#StOpE



Mixity diagnosis to go further in our diversity and inclusion policy

The overall **Mixity** score obtained is **75%**:

- Gender equality: 86% (vs. 69%)
- Inclusion of people with disabilities: 82% (vs. 62%)
- Multigenerational: 78% (vs. 63%)



Training of new technicians

- **Creation of an internal CFA**
- 27 classes with 236 technicians, 116 of whom have already been recruited on permanent contracts
- Nearly 1,200 technicians have been trained and 700 have joined the Group since 2019



ACT ETHICALLY THROUGHOUT THE VALUE CHAIN



2023

BUSINESS ETHICS



Continue to develop **requirements and awareness in terms of business ethics**

99% of the population exposed to the risk of conflict of interest completed the mandatory training modules **in 2023**

Protect the personal data of employees and customers

Implementation of a **preferences manager on the Fnac website** after that of Darty in 2022

Strengthened governance in terms of **data management**

Implement an Indirect **Responsible Purchasing policy**

83% of calls for tenders included CSR criteria in 2023

82% of contracts included the Code of Business Conduct in 2023

Identify and prevent social and environmental risks

Creation of the **Risk Department**

Participation in the **ICS initiative**

ACT ETHICALLY THROUGHOUT THE VALUE CHAIN



An ambitious data action plan

- **Deployment of the data information portal and the “preference manager”** in the Fnac web account
- Establishment of **a new GDPR rights monitoring committee** with customer relations teams
- Raising team awareness of **the issues and ethics of data and AI**



Improvement of working conditions across the entire value chain

- **Membership of the Initiative for Compliance and Sustainability (ICS)**, a non-profit organization bringing together trade players (distributors and brands) for the sourcing of our products in Asia
- **Systematization of factory audits** for Fnac Darty and Nature & Découvertes products



Creation of a Risk Department, attached to the General Secretariat

- Ensures **the coordination of actions related to strengthening internal control and risk management**
- **Clarification of roles and responsibilities** according to the three lines of defense model and dissemination of a risk management culture within the Group
- **Structured governance**

CULTURE AND TERRITORIES REMAIN AT THE HEART OF THE GROUP'S SOCIETAL COMMITMENT

LOCAL DEVELOPMENT & CULTURE



Fnac: a renewed, diversified and acclaimed **cultural commitment**

2023
70,000 customers were able to take advantage of nearly **1,420 events** in **145 stores** throughout France



Contribute to **local economic activity** and **create lasting jobs**

43 store openings including 28 in France

Carry out a **policy of solidarity** to fight against precariousness and exclusion

€7.2m donations including €5.2m in in-kind donations and €1.2m in donations collected from our customers

149 projects supported by the Nature & Découvertes Foundation

CULTURE AND TERRITORIES REMAIN AT THE HEART OF THE GROUP'S SOCIETAL COMMITMENT



Fnac picks up the thread of history with photography

- Special award for the 69th edition of the Nadar Prize, which rewards the originality of French photographic works
- "Tremplin Jeunes Talents" sponsorship program



Generalization of *L'arrondi solidaire*

- In 2023, this system made it possible to raise nearly €450K in Fnac stores for the Un Rien C'est Tout association and the Nature & Découvertes Foundation
- End of 2023/beginning of 2024, deployment of the solution to all Darty stores



Generalization of in-store donations to local associations

- Extension to all Darty stores
- 100% of the group's stores can directly donate new non-saleable products to local associations

