



NON-FINANCIAL INFORMATION STATEMENT 2021/2022

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CSR IN MANUTAN'S MISSION AND OBJECTIVES

Corporate Social Responsibility (CSR) is placed at the heart of Manutan's business strategy. In 2021/2022, the Group has evolved its approach on the topic and has put in place a clear strategy and governance to align on priorities and accelerate progress. Manutan strives to Enterprise for a Better World through creating value for its stakeholders, society, and the environment. With this report, we aim to highlight the foundation of our journey and our Group's CSR ambitions.

Manutan is one of the leading European B2B e-commerce companies specialised in the multi-channel distribution of equipment for companies and local authorities. Its offering of products and services, one of the most extensive in Europe, enables it to cover all its customers' needs and to support them in optimising their indirect procurement. With 27 subsidiaries operating in 17 European countries,

the Group had 2,157 employees⁽¹⁾ as at 30 September 2022 and posted turnover of €906.5 million in financial year 2021/2022.

In order to continue to deliver value to our stakeholders, Manutan has in place a clear mission and a value proposition supported by our values as outlined below.

Our mission

We are enterprising for a better world by building a business-to-business model where all our stakeholders can develop and progress.

Our value proposition

Manutan is a one stop shop for products and services that enables its customers, be they in the private sector, the public sector, or traders, to operate efficiently and sustainably on a daily basis.

Our ambitious indicators

Annual performance is measured through a set of Key Performance Indicators where CSR is embedded clearly:

- ▶ Turnover – Total sales;
- ▶ Operating income – The company's profitability;
- ▶ With Love Employee – Our employees' everyday experience;

- ▶ With Love Supplier – The quality of the relationship with our suppliers;
- ▶ With Love Customer – Our customers' satisfaction;
- ▶ With Love Planet – Our environmental and social commitments.

Our objectives & commitments

Our group objectives ensure we remain focused and aligned on our strategic priorities where CSR is addressed through the objective "Make Manutan a More Responsible Company".

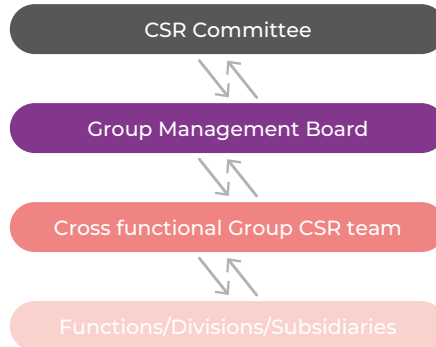
1. Wow our customers;
2. Digitise the company's processes;
3. Boost employee experience;
4. Build a customer-centric technology platform;
5. Make Manutan a more responsible company.

In 2022, we deployed the OKR methodology at Manutan to accelerate and measure our progress on our strategic objectives. A true and tried methodology, OKR stands for Objective and Key Results and is structured in a way to ensure alignment across all functions and subsidiaries. In order to ensure the success of the methodology rollout, a community of champions was brought together who own a stake in the objectives and through their functional and organisational leverage, are able to ensure efficient coordination and effective implementation of the actions.

(1) Number of employees: information to provide an overview and facilitate comparison with financial data.

OUR CSR GOVERNANCE

We built a CSR governance structure leveraging our group organisation and expertise and to effectively integrate CSR into our business activities.



CSR Governance roles

Our CSR Committee

Composed of five members, including two independent members one of whom is being the Chairwoman, to assist the Board of Directors in particular in the implementation and monitoring of the Group's CSR strategy:

- ▶ Karine Viel, Chairwoman;
- ▶ Marie-Laure Cassé;
- ▶ Xavier Guichard;
- ▶ Brigitte Auffret;
- ▶ Pierre-Olivier Brial.

At the highest level, the CSR Committee provides direction on Manutan's CSR strategy, initiatives and performance and is convened at least once per year.

Group Management Board

This committee drives alignment across the business, address emerging CSR opportunities, sets the strategic approach, and ensures resourcing and execution and excellent performance. The Group Management Board oversees the progress against the company objectives and receives a monthly CSR progress report.

Group CSR Team

Within the framework of building our CSR strategy, and under the guidance of the CSR Director, this team is comprised of ambassadors representing all the company's departments and divisions. The team's mission was to establish a consolidated, representative and inclusive Group CSR strategy.

The team is responsible for:

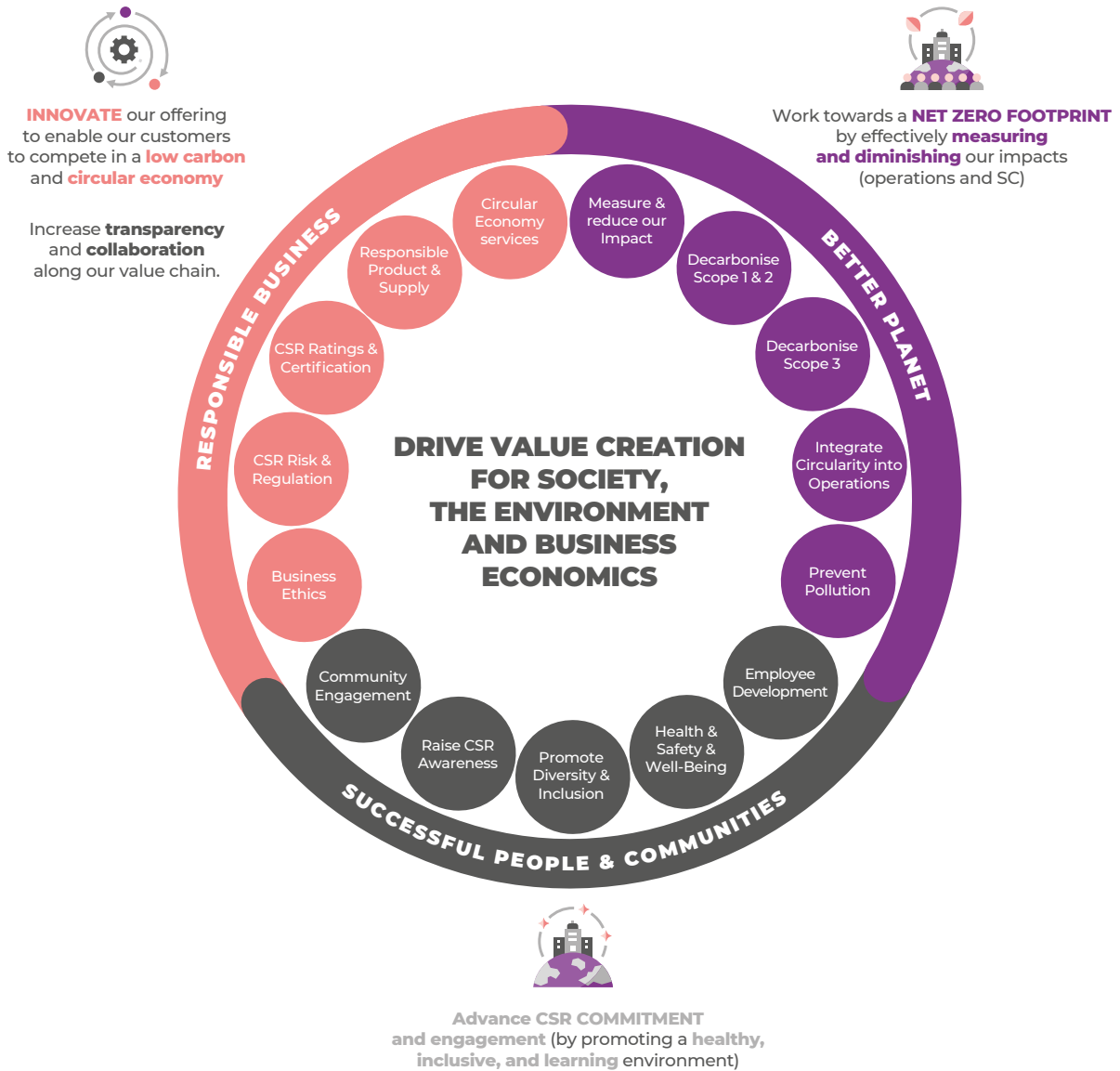
- ▶ validating and aligning the strategy and roadmap proposed in terms of CSR with each department and division's strategy;
- ▶ defining the priorities for programmes and resources to support the deployment of this roadmap;
- ▶ mapping and aligning the current CSR objectives and develop future ones;
- ▶ setting ambitious goals and defining the key performance indicators to measure progress;
- ▶ championing and steering the CSR strategy.

As CSR is an evolving journey for Manutan, we anticipate that our governance will also evolve to support its success and further integration into the business strategy. One of the key levers we are considering is the establishment of Community of Practices or Experts on key CSR topics in order to drive uptake, sharing of best practices and facilitate the implementation of key projects across the Group. Two communities are currently being set up to support our actions on the topics of Decarbonisation and Responsible Offer.

THE THREE PILLARS OF OUR CSR STRATEGY

In 2021/2022, the Group's team of CSR ambassadors has focused on defining the pillars and prioritising the topics related to our CSR strategy for the coming years. The strategy will aim to promote the creation of value for society, the environment and the business economy, in line with our mission "Enterprising for a better world".

Our CSR strategy is organised into three main pillars, within which priority areas to address have been defined aligned with the outcome of our materiality assessment:



Our Priorities for 2022/2023

As our CSR Strategy will guide our long term CSR journey and roadmap, we have identified four key topics on which rapid progress needs to be made in the coming fiscal year 2022/2023. The following topics are represented by four Key Results linked to our CSR Objective "Make Manutan a more Responsible Company" and are cascaded within the Group using the aforementioned OKR methodology and governance:

- decarbonising scopes 1 & 2;
- raising awareness on CSR with our stakeholders;

- integrating the circular economy in our product and service offering;
- developing our responsible offer and sourcing.

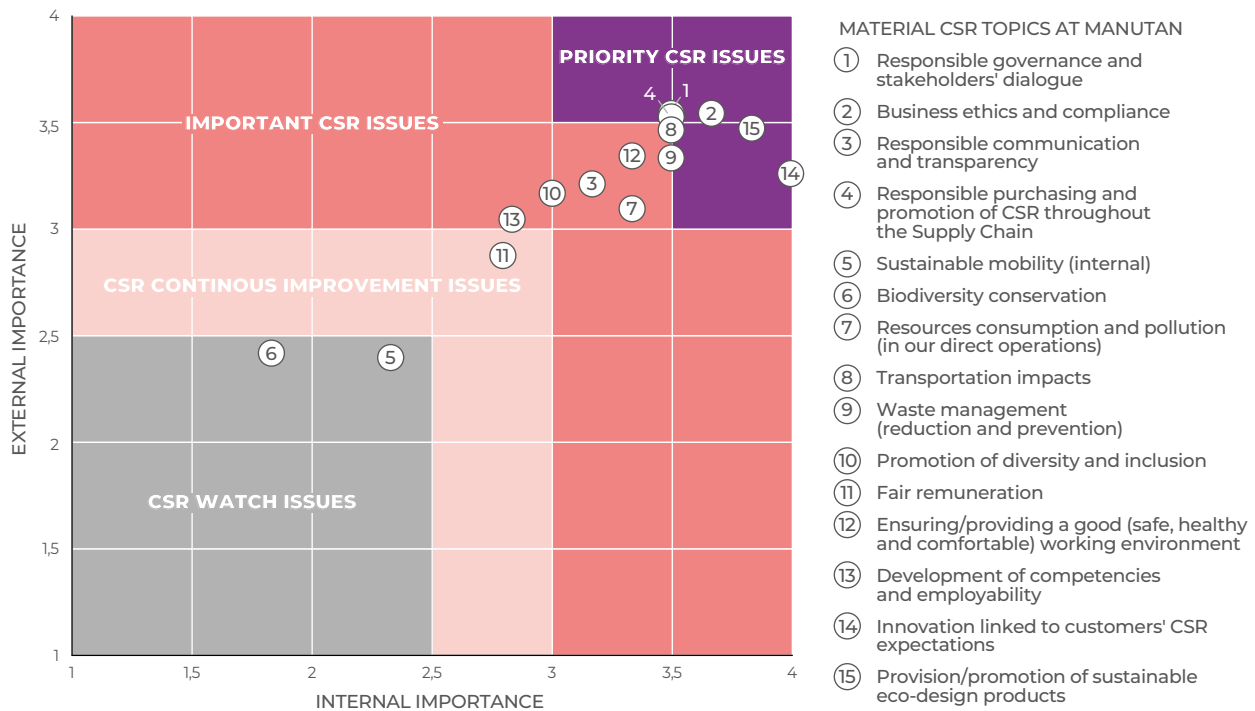
Of course we have already made significant progress on these topics in the current reporting year 2021/2022 which will be shared accordingly through this report.

The Process behind our CSR strategy

The Group CSR Team reviewed and validated the work conducted by the working group created in 2019 by the Group General Direction (see Chapter 2 of Manutan's URD 2020/2021). In addition to engaging key internal stakeholders, we also made sure to incorporate contributions from Manutan's key external stakeholders who were identified and prioritised according to their importance to the Group and vice versa. We therefore included in our analysis representatives of our divisions' key customers, key product and service providers, and carriers. To ensure that we address all aspects of CSR risks and opportunities, we have integrated not only suppliers based in Europe but also those in Asia and the rest of the world. Beyond this list of close partners, we also invited associations, NGOs and the media to participate in order to include a more global assessment of CSR topics.

After identifying external stakeholders, we invited them to participate in our assessment of the materiality of our CSR and, to do this, we used questionnaires (accompanied by interviews if necessary) to gather the opinion of our partners. This process has been supported by the main contacts of these stakeholders within the Group, allowing it to be fully integrated into the relationships we maintain with our partners. For example, the Director of Transport led the process integrating carriers. The results of this work have been integrated into various working documents that today form the basis of our CSR strategy.

During 2021/2022, the Materiality assessment on the key CSR topics was updated and validated by the CSR team and with the Group Management Board to ensure alignment with business strategy. Here is the outcome of the Materiality assessment:



The priority CSR issues that have been identified are business ethics, innovation related to customer expectations, eco-designed products, responsible purchasing, transport impacts and waste management. As a distributor, we recognise the urgency of these priorities and strive to fully understand our role in addressing and mitigating risks and capitalising on opportunities. The market is changing rapidly and the demand for responsible, ethical and low-carbon products is increasing. This is mainly driven by regulatory changes in the EU where a stricter supply chain due diligence requirement is expected and the ambition to be carbon neutral by 2050.

Many customers have also set clear and ambitious targets to reduce their carbon footprint, in line with the "Science Based Targets" initiative, which in turn requires a significant reduction in goods and services purchased from Scope 3. As a distributor, we can play an important role in providing circular and low-carbon solutions that will enable us and our customers to achieve Net Zero. Finally, and this is important, Manutan is a family business driven by deep values, by the mission to enterprise for a better world and by the desire to be an ethical and responsible supplier and partner in its value chain.

The CSR Strategy and material topics will be reviewed on an annual basis to ensure we continue to focus on the relevant topics and capture new CSR risks, opportunities and emerging issues. In order to conduct this in an efficient manner, we will use the existing stakeholder dialogue (internal/external) and engagement methods and look to develop new ones where needed.

PILLAR 1: PROMOTING RESPONSIBLE BUSINESS

Manutan Group has an important role to play as a key European distributor of office and warehouse supplies. A carbon footprint assessment of our value chain at our French subsidiary at DREDA estimates that up to 92% of our total footprint is linked to the products we purchase and sell to our customers. We anticipate that this carbon profile distribution will be similar across the board and are beginning to implement programmes to better understand how we intend to work with our suppliers and our customers to reduce this impact.

In addition to reducing the carbon footprint of our offering, another key challenge we need to address is the end of life of our products. Rising customer awareness and regulation on reducing waste and optimising the use of resources compels us to play a role on this topic. For example, in

France the AGEC law (anti-waste law for the circular economy) which was adopted in February 2020 should further develop the use of reconditioned office furniture and many other products. The decree requires public purchasers to devote at least 20% of their purchases to products resulting from reuse or recycled content. Hence we are also growing our offering in the circular economy and increasing our collaboration and knowledge in this topic.

As its business is as a distributor, the Group does not directly consume raw materials, but we will undertake to offer our customers the opportunity to purchase low carbon and circular products as highlighted under the under the priorities identified below in line with our strategy.

Priority #1: Developing our Circular economy offer & services

Governance

Manutan has launched a Strategic Board dedicated to circular economy. The objective is to place circular economy principles at the heart of Manutan strategy to reduce CO₂ emissions and the impact on new natural resources. The Circular Economy Strategic Board is composed of members of Manutan's Board of Directors along with CSR, Circular Economy and Technology leaders.

Launch of a desk made with 98% reused materials

- ▶ We joined forces with Valdelia, an eco-organism that recycles end-of-life office furniture from businesses, and the Ares Group, a group of structures using economic activity to promote employability, as well as a product designer. This collective project is aimed at giving a second lease of life to office furniture by collecting used desk table tops and transforming them into stylish and functional desks, while helping excluded people return to work.
- ▶ This dynamic ambition has prompted Manutan Collectivités and the Group's teams to design a desk, called "Séléné", using 98% reused materials. This very first product designed in collaboration with circular economy experts heralds a new milestone in the development of our sustainable product range.
- ▶ The Séléné desk is being sold by Manutan France and Manutan Collectivités. Here are some key figures:
 - 97.7% upcycled materials (only the screws are new);
 - 10 hours of work per desk for people enrolled on employability schemes;
 - 80% less CO₂ emissions and 26.89 kg less waste compared to the design of a new desk.

In November 2022, the Séléné desk was awarded by Ekopo a bronze medal.

Development of an eco-circular Offer

Manutan is actively developing its range of products with recycled material and/or recyclable products or packaging. In addition to selecting eco-responsible products (see Priority #2: Promoting our Responsible Offer and Supply), we also offer our customers more than 100,000 products with recycled or recyclable aspects.

We also offer on the French market more than 600 refurbished IT products such as computers, printers and cartridges.

Acquisitions and collaboration to grow our circular economy expertise and presence

- ▶ **Zack:** In February 2022, Manutan acquired a majority interest in the start-up Zack as part of its ambitions to make the circular economy a focal part of its business model. This acquisition builds on the range of circular services that Manutan already offers to its customers, such as the hire and sale of used products through its Dutch subsidiary Kruizinga. Paris-based startup Zack founded to address the exponential rise in electronic waste. Zack's business model is based on four areas: repair, resale, donation and recycling. This will enable Manutan to harness Zack's leading-edge tech platform, know-how and an entire specialised ecosystem to provide its customers with a service for recovering and recycling their used electronic equipment. Furthermore, 80% of the digital footprint of a company is due to hardware: Zack's service is a key ally to avoid CO₂ emissions and save natural resources from landfills and incineration.

- ▶ **Slean:** Slean supports companies in changing their working methods (teleworking, hybrid working, flex-office) thanks to eco-designed furniture solutions offered in the form of a subscription. This new partnership, which began in July 2022, takes several forms:
 - integration of Slean products and solutions in the Manutan offer;
 - proposing Slean solutions in Manutan's answers to calls for tenders;
 - addition of Manutan products in the Slean offer.
- ▶ **Bluedigo:** In July 2022, Manutan Group bought a stake in Bluedigo, a circular economy start-up created in 2019 that furnishes eco-responsible offices with refurbished office furniture and new eco-designed furniture. Bluedigo buys furniture from major brands from companies that are moving or redeveloping their offices to recondition it and offer it to other companies. Bluedigo also offers new eco-responsible furniture made in France.

Priority #2: Promoting our Responsible Offer and Supply

Responsible offer

We are accelerating the development of our eco-responsible products and their visibility (on the website, marketing campaign) in order to steer our customers towards these products:

- ▶ Manutan Group offer more than 73,000 eco-responsible products to its customers:
 - the Enterprise division offers more than 30,000 eco-responsible products, which represent 11.2% of the turnover;
 - the Local Authorities division offers more than 50,000 eco-responsible products, which represent 20.7% of the turnover.
- ▶ An Eco-responsible product is a product with a recognised environmental label, and/or made from at least 25% recycled material, and/or a second hand/ refurbished product.
- ▶ In addition to those eco-responsible products, Manutan offers more than 100,000 products with other environmental features (100% recyclable products, 100% recyclable packaging, recycled material in the packaging).
- ▶ We encourage our customers to select eco-friendly products thanks to high visibility and transparency on our websites (possibility to filter on eco-responsible products or product origin, transparent and detailed information on environmental assets) and high representativity in our marketing campaign.
- ▶ We favour high-quality products, which are more durable. The average rating for our products in France is 4.5/5 and our Manutan own-brand products are guaranteed for 10 years.

Approach by Impact: a Manutan Innovation

Beyond the offer of eco-responsible products and the consideration of the product origin, Manutan has developed a new approach to better support customers in aligning their purchasing behaviours with their CSR objectives & policy. The Approach by Impact tool enables customers to find and choose products according to their environmental and social impacts.

Developed internally after a study phase with customers and prospects, this approach is unique and innovative in the B2B e-commerce sector since it takes into account the social aspects and the supplier's commitment.

The ambition is to provide complete information for each product, based on verified evidence with 5 environmental and social impacts: resource preservation, waste reduction, carbon footprint reduction, user health and well-being, and social inclusion.

Essentially, Manutan provides customers with the tools to help them deploy their responsible purchasing strategy while promoting the suppliers who are committed to this framework.

This approach was deployed on the following product categories: cleaning products, bins, garbage bags, sorting (inner) bins, cardboard boxes, bags, bubble wrap and cushioning, workshop chairs, standing seats, stationery and office supplies as well as protective and work clothing in the Enterprise division.

Responsible Purchasing

In accordance with its business plan, Manutan Group wishes to associate its Suppliers with a moral and ethical approach, particularly regarding fair social practices. In this regard, Manutan led a Webinar with all their Group Trade Suppliers in March 2022. The webinar was key to reinforce Manutan's resolve to promote an approach that respects basic human rights and the environment, and encourage continuous improvement in design and production in collaboration with our suppliers. The webinar allowed many of our suppliers to commit with us on the topic of corporate responsibility. In total we recorded the following attendance from our suppliers:

- ▶ 100% of Asian Group trade suppliers;
- ▶ 62% of European Group trade suppliers.

In addition, Manutan Group asks its Suppliers to adhere to its Responsible Purchasing and Ethical Charter and its Code of Conduct, to ensure a better compliance with international standards regarding fundamental human rights, the rights of children, and working conditions, to prevent forced labour, undeclared and child labour, discrimination, and harassment in the workplace.

As of 30 September 2022:

- ▶ 95% of our suppliers in Asia have signed our Ethical Charter;
- ▶ 56% of our suppliers in Europe have signed our Ethical Charter.

By signing the charter, Suppliers integrate a process of continuous improvement for their methods of production required by the Group and undertake to comply with any request for information and/or audits on its part.

During 2021/2022, Manutan reviewed its supplier assessment process and developed three distinct evaluation methodologies in line with the initial risk prioritisation process. The newly defined methodologies will aim to:

- ▶ get to know the supplier;
- ▶ improve the risk identification process; and
- ▶ quickly leverage any identified opportunities.

Based on the outcome of the risk prioritisation, Manutan defined the initial list of group trade suppliers to be assessed starting April 2022 under each of the following three methodologies:

- ▶ **Onsite audits of European group trade suppliers:** with the support of an external audit partner, several suppliers were audited where a Corrective Action Plan was developed to further support the suppliers in their progress. This selected group represents up to 15.9% of Group Key Market purchasing.

- ▶ **Deployment of self-assessments across select European group trade suppliers:** the completed questionnaires provided insight into the suppliers' CSR maturity. The questionnaires will be further scrutinised and validated with supporting documentation where needed. Suppliers submitting a self-assessment represent up to 17% of Group Key Market purchasing.
- ▶ **Asian group trade supplier social audits:** during 2022, we collected 14 audits based on recognised international guidelines such as BSCI and SEDEX. These represented up to 50% of the amount of our annual purchases with Asia based suppliers.

In total, a supplier base representing up to 26% of the total amount of our purchases have been evaluated using one or more of the above evaluation methods.

Beyond assessing current group trade suppliers' CSR maturity, Manutan aims to integrate social and sustainable criteria into the prospective supplier selection process. For example, in the context of the partnership with Eastwise, our Sourcing agent which helps us to reference our Asian group trade suppliers, before the start of any business relations between a supplier and Manutan, Eastwise conducts an audit of each plant, part of which is focused on CSR. Once the prospective supplier is confirmed as an Asian group trade supplier, Eastwise auditors are obliged to report any potential breach of any obligations to protect human rights. Furthermore, Manutan's sourcing teams visit more than 60 supplier facilities every year.

ADDITIONAL FOCUS AREAS UNDER OUR RESPONSIBLE BUSINESS PILLAR

Priority #3: Enhancing our CSR Ratings and Certifications

At Manutan, we are proud to share our achievements with our stakeholders and always make sure we align our performance with industry and globally recognised standards. Find below how the group's performance has been recognised in the year 2021/2022:

- ▶ Several of the group subsidiaries assess their CSR performance with EcoVadis, an internationally recognised agency specialising in the documented assessment of companies' CSR performance. Manutan France scored 66/100 and a silver medal as evidence of its CSR performance. Manutan France is in the top 4% of companies rated by EcoVadis in our sector. Manutan UK also received a silver medal with a score of 58/100.
- ▶ Great Place to Work Certification: 10 subsidiaries have achieved "Best Workplaces" certification, including Manutan France, which has entered the France rankings for the sixth year running and sits at 19th place.
- ▶ Manutan Group won the Silver award in the category of "Guaranteeing quality of life at work" at the Grand Prix de la Good Économie event. This category concerns actions aimed at improving safety and well-being in the workplace for everyone.
- ▶ ISO 14001: our Den Dolder site in the Netherlands has been certified with the ISO 14001 for the past six years.

Priority #4: CSR Risk & Regulation

At Manutan, we are tracking the evolution of the regulations that impacts our CSR performance through various channels. We have our Regulatory and legal departments that are connected with various stakeholders internally and externally, and are able to capture and assess the various regulations that are emerging. Other sources are through our suppliers and customers who also play an integral role

in ensuring regulatory changes are communicated adequately and on time. We are also members of various associations across Europe.

A list of several key stakeholders and how we interact with them on a regular basis to stay informed on emerging trends and risks is available under Engaging on CSR with stakeholders.

We have tagged most of the key CSR emerging trends and risks linked to the deployment of the EU Green Deal:

- Circular Economy Action Plan; we are seeing many member states implementing various regulations linked to the circular economy with the French AGECL Law being the most prominent today;
- Corporate Responsibility Reporting Directive; as a leading business in the EU, Manutan will be subject to this law and will work towards a transparent and progressive CSR reporting process;
- Corporate and Supply Chain Due Diligence;
- EU Climate Law; the need to decarbonise our operations and supply chain is going to be integral to meet this ambition and we will work closely with our employees,

partners, suppliers and customers to develop a comprehensive and achievable decarbonisation plan;

- Chemical Strategy for Sustainability: we will work with our suppliers to ensure adherence to the CSS roadmap;
- Sustainable Product Initiative: we are monitoring this regulation closely to ensure we align our product sustainability claims with the requirements;
- Green taxonomy;
- Strategy for Smart and Sustainable Mobility.

These are just an excerpt of the key interesting regulations we are monitoring as the EU continues to broaden the scope of CSR regulation.

Priority #5: Business Ethics

Beyond the mission, values and commitments, Manutan has formalised the rules of engagement in its Code of Conduct that are imposed on the Group's companies and employees, and that its stakeholders (suppliers, intermediaries, agents, etc.) are asked to adhere to.

This Code is intended to give guidelines to all the Employees and Managers in the Group to guide them in performing their professional duties, but also to prevent corruption. It promotes acting with integrity and exemplary professional behaviour in every situation.

Effects of the company's activity with regard to tax evasion

The Manutan Group carries out its activities in an ethical manner and in compliance with applicable local laws, particularly with regard to fraud and tax evasion. For the financial period 2020/2021, the tax burden amounted to €16,426 thousand in all the countries in which it operates, or a tax rate of 24.43% (see note 8.20 of the appendices to the consolidated financial statements). To ensure compliance with tax regulations and ensure fiscal responsibility, Manutan has chosen to get support from advisors specialised in tax law. They guide us in all matters that may have an impact on taxation. Our risk management unit has also not identified any major risks of non-compliance with tax laws. Reviews are carried out with all of the Group's Finance Departments. None of the tax audits that have been carried out by the tax authorities in the different countries in which the Group operates have referred to any breach that could be considered as tax optimisation. Furthermore, since last year, the Manutan Group produces tax reporting for each country (CBCR) as part of a philosophy of transparency and communication. The Group therefore declares the distribution of its profits, taxes and activities in each country.

Anti-corruption undertakings

In terms of preventing corruption, a mapping is regularly updated to identify, analyse and prioritise the risks that the company may be exposed to. The risk mapping and the assessment procedure is followed up by the internal financial team. Since 2018, the obligations of the Sapin II Act have been identified and its different pillars implemented in Manutan Group by the legal department.

Amongst several pillars for the implementation of legal obligations, law, the Code of Conduct has been written with the Executive Management and validated by the staff representative bodies. Also, awareness raising training courses have been completed, notably with the sales forces in the local authority's division (Casal Sport, Manutan Collectivités and Papeteries Pichon).

Currently, a workshop for the digitalisation of the training process is in progress. The Manutan Group has also chosen to outsource its whistle blowing platform. This platform, known as "Ethicorp", is based in a legal firm, which makes it possible to preserve the confidentiality of the alerts, as well as the anonymity of the employees who wish to blow the whistle or make a report.

This system is of course accessible on the Manutan Corporate website and the internal communication website M-life, which include a chapter to remember the rules of the Sapin 2 Act and the procedure for using the platform.

Cybersecurity

Cybersecurity is a pertinent topic at Manutan and since last year, we have deployed key measures to further protect and guide our own digital experience and that of our partners. Under the leadership of our new IT Security manager, we have put in place an IT Security policy and rolled out cybersecurity training targeting 100% of Manutan employees groupwide. We will start by guaranteeing the security of the information in Manutan's possession, so we can safeguard our reputation among all interested parties, whether customers, suppliers, partners, employees or potential candidates.

GDPR

The management and protection of personal data is at the heart of the Manutan Group's activities, and particular attention is given to the application of these rules.

Thus, the application of the General Data Protection Regulation (GDPR) has required the classification and traceability of our data, the drawing up and signing of riders to contracts and the implementation of specific developments to ensure proper monitoring of personal data. Communications and information meetings have been organised to make Group employees aware of the new requirements deriving from the GDPR and its operational importance.

In rolling out the various phases of the arrangements for complying with the Regulation, the Group called on various service providers specialising in this field. In addition, since 2022, the Manutan Group has decided to acquire a tool to help with its compliance and to create a network of GDPR referents in the various departments and subsidiaries of the Group to support the DPO.

APPLICATION OF THE EUROPEAN TAXONOMY TO THE ACTIVITIES OF THE MANUTAN INTERNATIONAL GROUP

The European Taxonomy of Sustainable Activities or "Taxonomy" establishes a list of economic activities considered environmentally sustainable on the basis of ambitious and transparent technical criteria. The six environmental objectives set out in the EU Taxonomy Regulation are climate change mitigation, adaptation to climate change, sustainable use and production of water resources and marine resources, transition to a circular economy, pollution prevention and reduction, and protection and restoration of biodiversity and ecosystems. Up to now, technical selection criteria have been established for the first two climate-related objectives in delegated acts. The establishment of this benchmark to distinguish economic activities contributing to the European objective of carbon neutrality – the Green Deal – underlines the scale of the economic and industrial transformations to be achieved as well as the ambition of the European authorities

in terms of sustainable finance and transparency. On the strength of its environmental, social and societal commitments, Manutan International S.A. fully supports the European Commission in its work of analysing activities and defining technical review criteria designed to guide investments by public and private players towards projects that contribute to the transition to a sustainable, low-carbon economy⁽¹⁾.

The first environmental objectives of the Taxonomy relating to climate change mitigation and adaptation have prioritised sectors of activity that make a major contribution to greenhouse gas emissions in the European Union. Due to a business model based mainly on the distribution of equipment and supplies to companies and local authorities, Manutan's activities are not eligible for these objectives.

1. Qualification levels adopted by the Manutan International Group

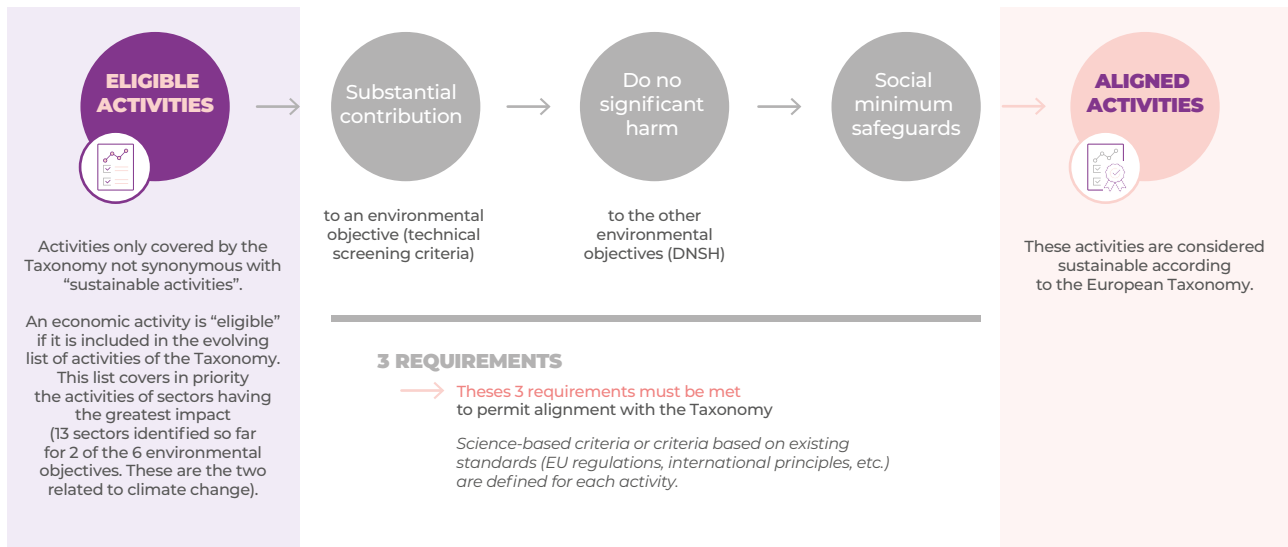
In accordance with the European Regulation 2020/852 of 18 June 2020 on the establishment of a framework to promote sustainable investment in the European Union (EU)⁽²⁾, Manutan International Group is required to publish, for the fiscal year 2022, the share of its eligible and aligned turnover, investments and operating expenses resulting from products and/or services associated with economic activities that are considered sustainable within the meaning of the classification and criteria set out in the Taxonomy for the first two climate objectives of mitigation and adaptation.

To meet this regulatory obligation, Manutan International set up a working group composed of members of the Finance Department, the CSR Department and the business teams. This committee worked to analyse the eligibility and alignment of the Group's activities, in particular on the basis of the Delegated Climate Regulation of 4 June 2021 and its annexes supplementing Regulation (EU) 2020/852 by specifying the technical criteria for determining the conditions under which an economic activity can be considered to make a substantial contribution to mitigating or adapting to climate change.

(1) https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_fr

(2) <https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32020R0852&from=F>

The graph below shows the technical criteria to be met for alignment:



Based on a detailed analysis of all its business lines, Manutan International S.A. has not identified any eligible turnover and therefore no alignment. The Capex valued for eligibility stems from investments associated with individual

measures, including long-term leases and various initiatives, such as energy efficiency installations, however no alignment was found. The Opex KPI was also identified as insignificant in relation to the Group's total Opex.

2. Evaluations and methodologies

The working group set up carried out an analysis of the eligibility of the Group's activities. It was found that:

Turnover

As for 2021, the Group has not identified any eligible turnover due to the European Commission's prioritisation of business sectors that have a major contribution to greenhouse gas emissions. The distribution activity is not covered by the first two objectives, which explains the absence of eligible turnover and therefore the KPI is not aligned.

Investments

Due to the absence of eligible turnover, investments related to activities contributing to turnover could not be qualified as eligible. The analysis of eligibility for investments was therefore focused on "individual measures" to reduce the Group's emissions, which explains the low level of eligible amounts in relation to the Group's size.

The eligible investments identified are mainly related to:

- ▶ 6.5. Transport by motorcycles, passenger cars and light commercial vehicles (including IFRS 16);
- ▶ 7.7. Acquisition and ownership of buildings (including IFRS 16);
- ▶ 7.3. Installation, maintenance and repair of energy efficiency equipment;

- ▶ 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings);
- ▶ 7.6. Installation, maintenance and repair of renewable energy technologies.

Eligible investments in 2022 amount to €3.6 million (of which €2.9 million relates to long term building and vehicle leases), compared to total investments of €27.8 million as defined by the Taxonomy Regulations. The Group will continue to adapt its methodology and eligibility analysis as the Taxonomy is implemented and as regulations, listed activities and technical review criteria evolve.

The first alignment exercise was carried out prudently by the Group. Manutan International S.A. has chosen to apply the regulations strictly and has therefore not qualified its eligible investments as "aligned" given the precise technical criteria to be met and the required analyses which are not exhaustively available. It should be noted that 2022 is a first alignment exercise, as the analyses of climate change risks and the other objectives targeted by the Taxonomy could not be carried out with the required granularity. However, the Group is working to meet them in the coming years and is in the process of implementing processes and tools to measure the thresholds set out in the Taxonomy. This is an area for improvement for the Group.

Finally, it should be noted that the Group partially meets the requirements of the minimum guarantees of the Sustainable Finance Platform (SFP) report, however the work planned by the Group will allow for alignment over the next few years.

Operating expenses

Due to the absence of eligible revenue, operating expenses related to revenue generating activities could not be qualified as eligible. As a result, the various actions taken to reduce the carbon footprint of the Group's products have not been included in the performance indicators for operating expenses.

The individual measures in the Taxonomy under the Opex KPI are less than 5% of total operating expenses and therefore not material to the Group.

3. Results

A detailed analysis was carried out as well as a review of the existing processes and reporting systems that allow for the diversion of the financial aggregates required by the Taxonomy. In addition, financial information extracted from the Group's information systems has been analysed and reviewed to ensure consistency with consolidated revenue, Opex and Capex in the 2022 financial year.

(in millions of euros)	2022		2021	
	KPI Turnover	KPI Capex	KPI Turnover	KPI Capex
Eligibility	No	Yes	No	Yes
Numerator of the KPI	0	3.633 (of which €2.9 million related to IFRS 16)	0	2.48
Denominator of the KPI	906.5	27.8	820	13.90
ELIGIBILITY RATE	0.0%	13.1% (of which proportion of eligible Capex related to IFRS 16: 10.5%)	0.0%	17.8% (of which proportion of eligible Capex related to IFRS 16: 8.8%)
Alignment	Not applicable		No	
Numerator of the KPI			0.0	
Denominator of the KPI			27.8	
ALIGNMENT RATE			0.0%	

The results presented are based on the Group's consolidated financial statements as at 30 September 2022.

Between 2021 and 2022, the investment base doubled from €13.9 million to €27.8 million. The 2022 financial year is characterised by the start of an investment cycle, in particular intangible investments mainly related to the digitalisation of the Group (€14 million of investments). As intangible investments are not eligible under the Taxonomy, the increase in the base has had the effect of reducing the rate of eligibility of Capex (13.1% in 2022 versus 17.8% in 2021).

The increase in turnover between 2021 and 2022 is linked to a double price and volume effect.

In the absence of precise compliance with the technical criteria and precise analyses required by the Taxonomy, even though the Group is working to improve its processes in order to provide all the required information in future years, the Group has chosen to consider all eligible investments as non-aligned.

4. Perspectives

The areas identified mainly concern the implementation of tools and processes for collecting precise information, enabling the best possible response to the technical criteria (Substantial Contribution, DNSH and MS).

The implementation of these tools and processes is in line with the Group's CSR strategy.

5. Regulatory table CAPEX

Investments

Economic activities	Code	CAPEX absolute (in thousands of euros)	Share Of CAPEX (in %)	Criteria for a substantial contribution			Criteria of no material prejudice (DNSH – Does Not Significantly Harm)					Share of CAPEX aligned to taxonomy 2022 (in %)	Share of CAPEX aligned 2021	Enabling activity category	Transitional activity category
				Climate change mitigation (in %)	Adaptation to climate change (in %)	Adaptation to climate change (in %)	Sustainable use and protection of water and marine resources Yes/No	Transition to a circular economy Yes/No	Pollution prevention and control Yes/No	Protection and restoration of biodiversity and ecosystems Yes/No	Minimal guarantees Yes/No				
A. ACTIVITIES ELIGIBLE FOR TAXONOMY															
A.1 Environmentally sustainable activities (aligned with the taxonomy)		0	0%												
OPEX of environmentally sustainable activities (i.e. aligned with taxonomy) (A.1)															
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)															
Transport by motorbikes, private cars and light commercial vehicles	6.5	1,275	5.3%												
Installation, maintenance and repair of energy efficiency equipment	7.3	41	0.2%												
Installation, maintenance and repair of charging stations for electric vehicles in buildings	7.4	30	0.1%												
Installation, maintenance and repair of renewable energy technologies	7.6	600	2.5%												
Acquisition and ownership of buildings	7.7	1,684	7.0%												
Data processing, hosting and related activities	8.1	3	0.0%												
CAPEX of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)															
Total (A.1 + A.2)		3,633	13.1%												
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY															
CAPEX of activities not eligible for taxonomy (B)		24,187													
TOTAL (A+B)		27,820													

Regulatory table turnover

Economic activities	Code	OPEX absolute (in thousands of euros)	Share of OPEX (in %)	Criteria for a substantial contribution			Criteria of no material prejudice (DNSH – Does Not Significantly Harm)							Share of OPEX aligned to taxonomy 2022 (in %)	Share of OPEX aligned 2021	Enabling activity category	Transitional activity category
				Climate change mitigation (in %)	Adaptation to climate change (in %)	Adaptation to climate change (in %)	Sustainable use and protection of water and marine resources Yes/No	Transition to a circular economy Yes/No	Pollution prevention and control Yes/No	Protection and restoration of biodiversity and ecosystems Yes/No	Minimal guarantees Yes/No						
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																	
A.1 Environmentally sustainable activities (aligned with the taxonomy)		0	0%														
TURNOVER from environmentally sustainable activities (i.e. aligned with taxonomy) (A.1)																	
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)		0	0%														
TURNOVER from activities eligible for the taxonomy but not environmentally sustainable (not aligned to the taxonomy) (A.2)																	
Total (A.1 + A.2)		0	0%														
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																	
TURNOVER of activities not eligible for the taxonomy (B)		906,456															
TOTAL (A+B)		906,456															

Regulatory table OPEX

Economic activities	Code	OPEX absolute (in thousands of euros)	Share Of OPEX (in %)	Criteria for a substantial contribution		Criteria of no material prejudice (DNSH – Does Not Significantly Harm)							Share of OPEX aligned to taxonomy 2022 (in %)	Share of OPEX aligned 2021	Enabling activity category	Transitional activity category
				Climate change mitigation (in %)	Adaptation to climate change (in %)	Adaptation to climate change Yes/No	Sustainable use and protection of water and marine resources Yes/No	Transition to a circular economy Yes/No	Pollution prevention and control Yes/No	Protection and restoration of biodiversity and ecosystems Yes/No	Minimal guarantees Yes/No					
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																
A.1 Environmentally sustainable activities (aligned with the taxonomy)		0	0%													
OPEX of environmentally sustainable activities (i.e. aligned with taxonomy) (A.1)																
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)		0	0%													
OPEX of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)																
Total (A.1 + A.2)		0	0%													
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																
OPEX of activities not eligible for taxonomy (B)		272,878														
TOTAL (A+B)		272,878														

PILLAR 2: WORKING TOWARDS A BETTER PLANET

Manutan aspires to be a leader in sustainable development, not just from the products and services that we provide our broad customer base, but also from how we conduct our business. We continually seek opportunities to scale and learn from our efforts that result in positive environmental impacts and work to minimise or eliminate negative impacts.

Climate change is one of the greatest challenges the global community will ever face and presents both risks and opportunities to our business. Another key challenge facing our industry is resource scarcity and end of life of our products.

It is clear to us that we will achieve our mission, to Enterprise for a Better World, by mitigating these risks while making our operations climate-resilient, resource efficient and seizing new business opportunities that can lead society to a sustainable future.

We are committed to setting Science Based Targets with a clearly-defined decarbonisation path to reduce emissions in line with the Paris Agreement goals. In this report, we will share the first step of measuring our impacts and detailing our ambition on this topic.

Priority #1: Measuring and Reducing our impact

During 2021/2022, we focused on developing our metrics and KPI roadmap in order to allow us to measure our progress on our CSR priorities and align our reporting accordingly. The initial phase of this process is to focus on

building out our global greenhouse gas emission footprint linked to Scope 1 & 2 and the next sections will highlight to outcomes of this process.

Priority #2: Decarbonising our Operations (Scope 1 & 2)

At Manutan, we are committed to measuring and reducing our Greenhouse Gas Emissions. Carbon Dioxide is one of the many gases that compromise our atmosphere and leads to climate change. The terms Greenhouse Gas (GHG) emissions and Carbon Footprint are used interchangeably, however, the latter is a component of the former.

In this section, we will focus on measuring the carbon footprint from our operations which is referred to as Scope 1 (Direct) and Scope 2 (Indirect).

The following table illustrates our Greenhouse Gas emissions during the past three years. In 2022, we expanded our carbon footprint measurement to also include company lease cars in order to align our reporting to the Greenhouse

Gas Accounting protocol. As displayed in the table below, our total GHG emissions from across the Group during the reporting year 2021/2022 amounted to 3,907 tonne CO₂ eq. This footprint seems to be equally distributed between Electricity consumption (33%), Heating (33%), and mobility with company owned or leased vehicles (34%).

We can also clearly see the effects of working from home restrictions during the 2019/2020 reporting year compared to the reporting year 2020/2021 where energy consumption rose sharply. Alternatively, the impacts of the Ukraine war on gas supplies have also played a role in lowering our gas consumption in the current reporting year 2021/2022.

GROUP GREENHOUSE GAS EMISSIONS (tonne CO₂ eq.)

Scope	Activity Type	2020	2021	2022
Scope 1	Gas consumption	954	1,275	1,056
	Scope 1 – Subtotal	954	1,275	1,056
Scope 2	Purchased electricity	1,374	1,248	1,284
	Purchased heat and steam	227	233	239
	Scope 2 – Subtotal	1,601	1,481	1,523
Subtotal		2,554	2,756	2,579
Scope 1	Company lease cars (only 2021/2022)	N/A	N/A	1,328
TOTAL				3,907

With this in mind, our Scope 1 & 2 decarbonisation pathway will rely on three key drivers:

- reducing energy consumption;
- replacing fossil fuel energy sources with renewable sources;
- electrifying our car fleet.

ENERGY CONSUMPTION TREND FROM THE PAST THREE YEARS

Electricity & Purchased Heating consumption	2019/2020	2020/2021	2021/2022
<i>In kWh</i>	9,039,732	9,552,993	9,624,153

The purchased electricity & heating consumption during 2021/2022 compared to group turnover represents 10.62 kWh/thousand euros (compared to 10.45 kWh/thousand euros during 2020/2021).

Gas consumption	2019/2020	2020/2021	2021/2022
<i>In kWh</i>	5,262,063	7,034,341	5,827,235

Natural gas consumption during 2021/2022 compared to Group turnover represents 6.43 kWh/thousand euros (compared to 8.38 kWh/thousand euros during 2020/2021).

- The CO₂ emissions associated with power consumption amount to 1.056 tonnes of CO₂ eq. Compared with turnover, they represent a ratio of 0.0014 tonnes of CO₂ eq/thousand euros.
- The CO₂ emissions associated with gas consumption amount to 1.284 tonnes of CO₂ eq. Compared with turnover, they represent a ratio of 0.0012 tonnes of CO₂ eq/thousand euros.
- In 2021/2022, the CO₂ emissions associated with power consumption and gas consumption compared with turnover represent a ratio of 0.004 tonnes of CO₂ eq/thousand euros.

In order to act quickly in this area, we have set a group target to reduce our Carbon Footprint by 5% by end of fiscal year 2023 compared to our current baseline at end of fiscal year 2022. This target has been linked directly to our annual Objectives & Key Result on the same topic and has a clear owner at each subsidiary who will follow and implement the necessary action. The topic of decarbonisation is also managed by the Group CSR Team and is closely followed at the Group Management Board as it links to our With Love Planet KPI.

The Group CO₂ emissions amount to 3,907 tonnes of CO₂ eq. Compared with turnover, they represent a ratio of 0.0043 tonnes of CO₂ eq/thousand euros. In 2021/2022, we have executed wide ranging actions to drive reductions across the Group; here are some examples:

- At our Den Dolder site in the Netherlands, we continued the purchase of 100% renewable electricity from our supplier Engie. This will also be complemented by newly installed PV panels that will be able to supply up to 80% of the electricity at the site. Additionally, the site installed four new energy efficient boilers to replace the older equipment. Lastly, the car policy has been updated to include and encourage the use of electric and hybrid cars.
- At DREDA, our HQ in Paris, we launched a 100% electric shuttle between Le Bourget RER station and the facility to encourage the use of public transport. Additionally, the car policy has been updated to include and encourage the use of electric and hybrid cars. Finally, energy efficient lighting has been installed around the warehouse (outside) and in the walk areas.
- At Manutan Collectivités, quite a few improvement projects took place last year such as replacing the boiler with a more efficient one, insulating the roof of the building and installing Electric car charging points.

- ▶ Rapid Racking in the UK implemented 100% LED lighting in the warehouse resulting in a 2% reduction year-on-year.
- ▶ At IronmongeryDirect, the site is being fitted with LED lighting that also resulted in reduced electric consumption and costs.

Furthermore, at many sites, we have also reduced working hours and consolidating work from home days to also help in energy reductions, in addition to raising awareness on energy consumption and efficiency. One of the key challenges is replacing ICE cars with electric; due to the supply shortages, we have had to delay this roll out at our sites.

Priority #3: Decarbonise Scope 3

Focus: Packaging Optimisation as a driver to Decarbonise Scope 3

As a distributor, Scope 3 is where most of Manutan's carbon footprint will be accounted for with most of it linked to the products we buy and sell to our customers. We fully understand the challenges this responsibility brings and we are putting in place several initiatives to help us and our customers on this journey. A lot has already been mentioned under our Responsible Business pillar where we are looking at various ways to guide our customer make the choice for low carbon and circular products.

Additionally, we are also integrating low carbon and circular practices in our own operations in order to further drive down our footprint and that of our value chain.

Manutan is working on optimising its packaging for deliveries

- ▶ At Pichon, by offering smaller packaging sizes and envelopes; we were able to reduce the use of boxes and increase the volumes per shipment by up to 89%.
- ▶ In Gonesse, our French headquarters and distribution center, we repair up to 90 wooden pallets per day for reuse which reduces our need to buy new pallets and reduces our consumption of raw materials.
- ▶ At Rapid Racking, there is a clear focus on reducing both our inbound and outbound plastic usage:
 - inbound: we are trialling with a key supplier to either replace current plastic packaging with a lighter plastic or implement non-plastic pallet banding;
 - outbound: we changed from heavy heat shrink plastics to lighter shrink wrap plastic (contains 30% recycled plastic) for palletised shipments which resulted in 13 tonnes less plastic used since the start of 2021.

Priority #4: Integrate Circularity into our Operations

Focus: Waste recovery

Reducing and optimising the recovery of waste is intended to reduce the environmental impact of our activities and to limit the financial risks associated with waste management.

We are tracking our waste streams annually in order to better understand areas for reduction, recycling and reuse:

Waste In tonnes	2020/2021	2021/2022
Cardboard + Paper + PE Films	709	375
Non-hazardous industrial waste + Bulky items	527	962
Class A Wood	924	317
Metalwork	312	272
Glass ⁽¹⁾	0.94	4
Catering ⁽¹⁾	23	133
Plastic	22	204
Oils	107	4
Solvents	159	0
Paint/solid ink/glue	153	0
Aerosols	122	0
Mixed recycling	29.34	38
Compost ⁽¹⁾	1.66	9
Green waste	5.36	7
Class B wood	4.08	127
Processing paper documents ⁽²⁾	3,800	0
Other waste	36.8	1
IT Waste ⁽³⁾		8
TOTAL	6,936.18	2,460

(1) The quantity of this waste is partially estimated because our site in Gonesse (DREDA) lists these categories of waste (glass, catering, compost) with an estimate of their weight. Indeed, on this site, the number and volume of bins used for collection are listed and then converted into weight using a density factor of 0.75 kg/litre.

(2) This is a category of irregular waste for the destruction and disposal of sensitive archival documents. This type of waste is an isolated case that occurs occasionally.

(3) Only our site in Gonesse (DREDA) reports this type of waste. Computer waste represents a new category of waste. This is an estimate based on the number of IT products sent for recycling and their average weight.

Waste reduction and recycling initiatives across the group:

- At Pichon, we are making the most of waste polypropylene notebook covers by recovering them and sending them to a manufacturing company that recycles them into bicycle mudguards from recovered PP.
- Kruizinga has implemented a new way of recycling cardboard, paper and plastic by using a press to combine the sorted waste and delivering it to a dedicated recycling company.
- At our facility in Den Dolder, we are introducing a plan for waste separation and are reusing pallets where possible.

Priority #5: Preventing Pollution in our Value Chain

Pollution is one of the main reasons for the loss of biodiversity. It reduces the ability of ecosystems to provide services such as carbon sequestration and decontamination. As a distributor, we have the responsibility to ensure our activities and products do not cause harm to the environment and their impact will be limited. As we develop

and expand our measurement and reporting capabilities, we are also beginning to investigate the various ways we can mitigate our environmental impact in our value chain. We aim to develop a clear and proactive policy on environmental impact management and biodiversity protection in the coming year.

PILLAR 3: ENSURING SUCCESSFUL PEOPLE AND COMMUNITIES

At Manutan, on our exciting mission of Enterprising for a Better World, we have one defining advantage: our people.

By bringing together our best and brightest minds, capabilities and individual experiences, we are creating a truly global culture of innovation, agility and collaboration. Every year, we launch our employee engagement survey⁽¹⁾ to determine our "With Love Employee" score across all the Group's subsidiaries where all Manutan employees are invited to take part and freely share their impressions about everyday life within the company. This year, the participation rate at Group level reached 90% (compared to 92% last year).

This rate clearly demonstrates how everyone is interested in their company. The survey provided much needed insight and is guiding our management and leadership teams to focus on specific topics.

The Manutan Group is committed to complying with the principles of the International Labour Organisation's Declaration on fundamental principles and rights at work. Manutan undertakes to comply with national and local social regulations, regarding the minimum age for workers, refusing forced labour and abusive disciplinary practices, preventing discrimination, supporting the freedom of association and the right to collective bargaining, working hours, remuneration, and health and safety.

Employment Facts & Figures

MANUTAN WORKFORCE AS OF 30 SEPTEMBER 2022

	2019/2020	2020/2021	2021/2022
Permanent	2,050	1,988	2,036
Temporary	55	40	176

- Permanent: includes all the employees with a permanent employment contract.
- Temporary workforce: includes all interim and/or seconded staff.

The remuneration policy

The Group's remuneration policy is based on the following factors:

- fixed remuneration: fixed remuneration is related to the level of responsibility and is based on consistent principles within the Group;
- variable remuneration: variable remuneration is aimed at encouraging individual and collective performances for some of the teams, in particular managers and experts. The performance objectives related to the Group's income are set by the Board of Directors;

- collective remuneration: collective remuneration is intended to encourage collective performance to the benefit of the company.

At the same time, we share a responsibility to contribute to improving the lives of the people in the communities where we do business. Our approach is based on helping alleviate urgent critical needs while contributing to strengthening communities through collaboration, partnership and the pursuit of longer term positive social impact.

In this chapter, we report on the various key topics driving the success of our People and Communities.

(1) Survey is developed and analysed by our external partner Great Place to Work.

Priority #1: Community Engagement

At Manutan, we encourage a healthy and collaborative social dialogue with our employees and the communities where we operate.

Organisation of social dialogue

The management of each entity is responsible for assisting the company with its intention to gradually develop its social commitment, whilst sustainably developing its economic activity.

Social policies are determined through regular dialogue with the social partners in each entity. There are at least 69 elected representatives distributed across the group.

Throughout the whole Group, Manutan has an ongoing dialogue with the Trade Union Organisations and the Institutions Representing Personnel:

- In France, a Company Social Committee (CSE) was implemented for all the entities and for the UES Manutan (Manutan economic and social unit) the CSE was implemented in January 2020.

- The Committee of the Manutan Group has been in place since September 2010. Following the latest elections of the CSE and based on an agreement between the Executive Management and the Trade Union Organisations, with the addition of the company Sports et Loisirs (Casal Sport), there are now seven employee representatives on the Manutan Group Committee.
- Agreements are reached regularly considering the impact they would have on the Group's economic performance and the working conditions for employees.
- The collective bargaining agreements in force within the UES Manutan (Manutan economic and social unit), which includes Manutan International SA, Manutan SA and the Association du RIE Manutan (Shared employee cafeteria), are summarised in the following table:

Subject	Signature
Teleworking agreement	July 2021 (entry into force 1 October 2021)
Mandatory Annual Negotiations in France (NAO— <i>négociations annuelles obligatoires</i>)	November 2019
Electronic vote	July 2019
Profit-sharing plan	March 2019
Mandatory Annual Negotiations in France (NAO— <i>négociations annuelles obligatoires</i>)	December 2018
Professional equality between women and men	July 2017/August 2018
Inter-generational agreement	July 2017
IT service on-call shifts	July 2017
Technical Department on-call shifts	March 2017
Quality of Life at Work Agreement	July 2017
GPEC Agreement	July 2017
Agreement on reducing working hours	December 2014
Non-mandatory profit-sharing	December 2013
Company Savings Scheme	September 2012/Amendment December 2018
Collective Pension Scheme	September 2012/Amendment December 2018
Chosen part-time	December 2011
Working time accounts	December 2011/September 2012/August 2013

Our Communities

A major part of the Group's activities are located on the edge of urban areas (Paris, Amsterdam, Southampton, Gothenburg, Ostrava, etc.), in business lines suited to logistics activities, which require storage space. As a result, any disturbances or negative impacts on neighbouring and local populations is very limited.

At Manutan, we're convinced that Enterprising for a better World involves taking care of the people and communities around us. This is why we make it a point to promote ethical and responsible business with our partners, ensuring that health, safety, fair trade and human rights are respected

throughout our supply chain. At the same time, we regularly get involved through volunteering and donations in our communities to help the most disadvantaged people with their basic needs.

Examples of community engagement activities in 2021/2022:

- Aiding Ukrainian refugees together: to face the humanitarian crisis that is unfolding in Ukraine, Manutan donated €100,000 to UNICEF and organised two days of solidarity leave for employees. Many subsidiaries (Manutan Italy, Switzerland, Hungary, UK, Czech Republic, Rapid Racking and Kruizinga) also rallied together to collect food and basic necessities, or to donate furniture to organisations that are committed to the same cause.

- Children are the future of our world. That is why meeting their essential needs and promoting their fulfilment is a cause we hold dear. In this dynamic, Manutan Poland offered its financial and material support to a local orphanage, Rapid Racking donated storage and shelving equipment to Stroud District Kids Stuff, a charity that supports local families by recycling children's items, and finally, Manutan France organised a large toy collection for MaMaMa, an association that distributes emergency solidarity packages to families in poverty.
- Clean-up our community: two major clean-up operations took place at Manutan France and UK. The aim was to pick up as much rubbish as possible around the premises to fight pollution and help preserve our environment. Each subsidiary took care of a specific location that it holds dear: the area surrounding our European Centre (Gonesse, France) and Boscombe beach (Bournemouth, UK). A dozen employee volunteers, some of whom who brought their friends, family and even suppliers, worked hard for hours, tracking down every bit of rubbish: paper, bottles and cigarette butts.

Priority #2: Raising CSR Awareness

We are responsible for ensuring CSR is a topic where our people and our stakeholders remain engaged on and build their knowledge in. Through the below platforms, we remain up to date on latest CSR issues and opportunities presented by our people and our stakeholders and further develop and strengthen our knowledge on this evolving topic.

Engaging on CSR with stakeholders

For many years, the Group has strived to build a regular and constructive dialogue with its stakeholders at a local and national level, in all of the countries where it operates. It favours an open dialogue, which aims to develop innovative projects or partnerships. Modes of dialogue vary according to the stakeholders in question, at the level of each entity or at a Group level.

Through our Human Resources and Communication teams, we are able to share our harmonised CSR messaging and monitor the different actions undertaken in this area by all the subsidiaries.

Stakeholders	Principal forms of dialogue
Employees	<ul style="list-style-type: none"> Regular internal communication actions (Intranet), intended for all the subsidiaries A number of communication screens around all of the European Centre (France) Regular meetings between the Executive Management and all the employees, with plenary sessions organised Employee Surveys (With Love Employee & Great Place to Work)
Social partners	<ul style="list-style-type: none"> Regular discussions with the staff representative bodies Signature of collective bargaining agreements with the Trade Union Representatives
Shareholders, investors	<ul style="list-style-type: none"> Half-yearly meetings with the financial community, when the Group's results are published Quarterly publications available on the www.manutan.com website, in French and in English Financial statements available on the www.manutan.com website, in French and English, to present the Group's development and communicate the financial and stock market information
Customers	<ul style="list-style-type: none"> Commercial websites Communication on the social networks Customer satisfaction surveys (With Love Customer) Regular publications to promote the Group
Public and local authorities	<ul style="list-style-type: none"> Member of the <i>Association du mouvement des entreprises du Val-d'Oise</i> (Association for the movement of companies in the Val d'Oise area)
Partners	<ul style="list-style-type: none"> A member of the French Distance Selling Companies Federation (<i>Fédération des entreprises de vente à distance – FEVAD</i>) Member of the Club ETI d'Île-de-France
Suppliers	<ul style="list-style-type: none"> Supplier events & Webinars Satisfaction surveys (With Love Suppliers)
Regulators & Government bodies	<ul style="list-style-type: none"> Regulatory watch and legal department consultation Euractiv and EU commission websites Public Relations agency

CSR Training, Media and Webinars

In 2021/2022, we had the chance to facilitate several trainings and webinars on the topic of CSR; here are some examples:

- Our Group ambassadors for supply chain and offer and the supply chain directors participated in two separate climate fresk workshops as part of their annual seminar. Climate Fresk is a fun and collaborative tool to raise awareness among as many people as possible of global warming's challenges.
- In 2021/2022, we ran two games aimed at raising awareness on the topic of Environmental Protection and Energy savings. The games were combined with a quiz to test the knowledge on the topic and the opportunity to win a prize.

- Members of the group management board, group purchasing and sourcing, group category management and Group Sustainable Offer and Supply Chain, presented two web conference in 2022. One brought together representatives from 250 European suppliers and the other targeted 60 Asian suppliers. On both occasions, they shared the Group CSR strategy with these suppliers and included them in the deployment of our responsible offer and purchasing policy.
- Various training courses and webinars were deployed in different groups and functions on several topics such as Responsible Offer, Circular Economy, Cybersecurity, to name a few.

Priority #3: Promoting Diversity and Inclusion

Anti-discrimination policy

Taking into account the diversity of its business lines, the profiles recruited and the number of its employees, the Manutan Group aims to combat all forms of discrimination. The Group's main areas of action concern origin, gender, disabilities, age, sexual orientation, religious diversity, etc.

In line with our mission to "Working for a better world" and our inclusive corporate culture, we consider professional equality between women and men as a major element of the Manutan project, equally in terms of the balance and the diversity of the profiles and the overall performance of the company.

Diversity Facts and Figures:

PERCENTAGE OF WOMEN IN THE AVERAGE WORKFORCE

2019/2020	2020/2021	2021/2022
45%	48%	46%

Inclusion

We are committed to creating an inclusive working environment, in which employees are able to fulfill their potential and maximise their contribution. We recognise and value the creative potential that individuals of different backgrounds and abilities bring to their work.

Since 2021, we looked for different opportunities where we can create an environment of inclusion and work with partners that can help leverage these distinct and unique attributes:

- At Casal Sport it was decided to overhaul the practices for dealing with its office waste by partnering with the ELISE network. With the aim of introducing a process for sorting waste at source, the Head of Facilities Management at Casal Sport set up voluntary drop-off points in strategic areas and removed most of the individual bins. Each drop-off point features a bin for each type of waste, such as plastic, paper, metal cans and ordinary industrial waste.

AGE DIVERSITY IN THE AVERAGE WORKFORCE

Age range	2019/2020	2020/2021	2021/2022
Age < 30 years old	18%	19%	18%
Age 30-39 years old	27%	26%	26%
Age 40-49 years old	29%	28%	27%
Age >= 50 years old	26%	27%	29%

PERCENTAGE OF PERSONS WITH DISABILITIES IN THE AVERAGE WORKFORCE

2019/2020	2020/2021	2021/2022
2.4%	2.5%	2.8%

PERCENTAGE OF EMPLOYEES WITH OTHER NATIONALITIES THAN THAT OF THE COUNTRY IN WHICH THEY WORK

2019/2020	2020/2021	2021/2022
2.2%	2.2%	4.4%

This initiative offers a number of advantages, such as reducing our carbon footprint, lowering our costs, supporting social inclusion, and alerting our employees to the importance of sorting their waste.

- As part of its CSR approach, Manutan has decided to give a second life to its computer hardware, using Zack, the start-up specialised in the circular economy that recently joined the Manutan family. In total, 247 electronic products or 1.5 tonnes of hardware have been recycled since the beginning of this year. Up to 90% of the products were recycled in an environmentally friendly way by a professional integration company in France. The rest of the products are sold as is to be reconditioned and then reused. The proceeds from the sale will be donated to an association. This represents more than 15 hours of work financed for professional reintegration and 77 tonnes of CO₂ eq avoided.

Priority #4: Employee Health, Safety & Wellbeing

For several years, the Group has been committed to an approach of continuous improvement regarding the physical and mental health and safety of its employees. This consideration contributes to employees' well-being, but also improves the company's image. It is an undeniable performance motivator, and a solid base for quality of life in the workplace.

Health and safety conditions at work

Manutan includes its prevention approach as part of its social dialogue. In France, a Health, Safety and Environment division (HSE) was created in 2010 as part of the Group's Human Resources Department. This organisation, which is dedicated to employee well-being, helps to identify the specific professional risks for the Group's business lines and to create a real prevention approach:

- improving ergonomics and comfort in workstations;
- improving working tools;
- acting in a preventive manner.

All of these actions are aimed at reducing the number of accidents in the workplace.

Employee Wellbeing

When we are our best selves mentally, emotionally and physically, we are better contributors at work and beyond. Cultivating well-being is a priority at Manutan, whether

through offering tools and experiences that promote wellness, balance and autonomy for our people, creating interest-based conversation channels or supporting hybrid work arrangements.

- Encouraging participation in sport – The 1,000 m² Sports Centre is an essential part of the Group's European Centre. It allows employees to regularly indulge in physical activity with the assistance of specialist coaches. Over the preceding financial period, more than 28% of employees enrolled for one of the 11 activities offered by the Sports Centre. At 30 September 2022, the number of members reached 284, which represents 42.4% of the workforce.
- Preventing harassment in the workplace – In order to ensure the physical safety and protect the psychological well-being of employees during their work, a new Anti-Harassment Charter was signed at the European centre in April 2014 and a specific commission was formed. After hearing from the protagonists, a Workplace Harassment Mediation Committee seeks an amicable solution to any ill feeling and other conflicts that may have a detrimental effect on the working environment, without commenting on the legal grounds of the underlying facts. The Group's Code of Conduct in relation to the French Sapin II Law also addressed this subject. It constitutes a new appendix to the Internal Rules of Procedure to regulate misconduct. Additions and amendments covered in particular electronic cigarettes, identifying drug abuse issues, preventing sexist behaviour, and the use of company vehicles and personal vehicles for professional needs.

Health, Safety & Wellbeing Facts and Figures

ACCIDENTS IN THE WORKPLACE

(excl. Iberia, Italy, Switzerland, Poland, Hungary, Belgium, Germany and Kruizinga BV)

Number of work related lost time incidents with more than one day off work in the whole Group. The Lost Time Incident Frequency rate is a standardised calculation; The formula is as follows: (Number of work related lost time incidents/[FTE x number of hours worked per week x 52] x 1,000,000).

	2019/2020	2020/2021	2021/2022
Work related Lost time incidents	21.0	19.0	32.0
Frequency rate (LTIF)	4.24	2.80	5.84

NUMBER OF SICKNESS DAYS PER EMPLOYEE

2019/2020	2020/2021	2021/2022
16.9	16.4	18.3

NUMBER OF TOTAL PARENTAL LEAVE DAYS TAKEN ACROSS THE GROUP

2019/2020	2020/2021	2021/2022
7,156.0	5,981.3	7,821.6

Priority #5: Employee Development

At Manutan, learning, sharing and always improving are part of our Corporate Culture. Ensuring the continuous improvement of our employees is a key factor for supporting the continuous development of Manutan and achieving the targets of the Business.

The Learning Policy is intended to encourage and assist with learning and skills development for all employees by creating a favourable environment. At Manutan, we are convinced that everybody can learn at any age, at any time, regardless of their job, and regardless of the stage in their career path. We have clear policies and guidelines in place to facilitate and guide the employee experience:

- ▶ The Development Cycle capitalises on the resources in place to ensure the development of employees, so that they have all the skills to perform their role, to be independent and proactive, in line with the corporate culture. It is particularly essential that they continuously take on board the company's developments and the changes to our professional environment.
- ▶ Encouraging the integration of employees – Every new Group employee follows an appropriate induction course, which enables them to discover and experience the corporate project (the course lasts around one month for managers). In addition to presenting the Company and discovering the activities, the new recruit also plays a part in their own integration. This means that they can take the time to understand the Company's business plan before starting on a new assignment.
- ▶ Facilitating internal mobility – The internal mobility policy demonstrates the Group's intention to offer new opportunities to all its employees in order to allow them to succeed in their professional ambitions. This policy aims to promote mobility within all of the subsidiaries, and also between the subsidiaries of the Group. Therefore, all open positions are regularly published on the Group's Intranet (M-life).
- ▶ The Learning Policy is based on these six guiding principles:
 - at Manutan, opportunities for learning and development can be grasped every day;
 - at Manutan, the learning initiatives combine the development of professional skills and people skills;

- at Manutan, we share what we learn with our colleagues, managers, teams and peers;
 - at Manutan, we act together to make learning efficient;
 - at Manutan, the University is everywhere;
 - at Manutan, the company and every employee make a mutual commitment to carry out at least 1 learning day per year per employee.
- ▶ This policy is embodied by the Manutan University. To offer itself the means to achieve its ambitions, the Group created its own University and devotes a considerable amount to training through actions taken both by the Group at the Head office and by the different entities locally.

Employee Development Facts and Figures

- ▶ We also foster our employees' development by offering modern and digital tools for individual assessment and Check-Ins (Flashbrand generalised in 2021) and also for learning. Indeed, this year, we opened U'Learn (360 Learning platform) to all our employees providing learning content and administrative training courses. It offers employees an easier access to learning materials and allows the company to better pilot its strategy (the Group's 2,036 employees).
- ▶ Since October 2020, the question "Have you had at least one Learning Day over the last year?" has been included in the development reviews form, to be able to monitor our undertaking (sixth principle). Last year, 92% of employees asked answered "yes" to this question.
- ▶ Encouragement to develop more methods for learning including training, which represents for the Group:
 - 29,869 hours for all the Group's employees this year compared to 23,379 hours for last year.
- ▶ Number of total training hours per employee across the group (Except Casal Sport, Manutan Hungary, Poland, Slovakia and Czech Republic):

2019/2020	2020/2021	2021/2022
12.0	13.0	15.5

ABOUT THIS REPORT

Methodological note on the Non-financial Information Statement

Unless specified otherwise, the data gathered covers the period from 1 October in the previous year to 30 September in the current year. The data are tracked annually.

Scope

The consolidation method for the scope of reporting is global integration (the data are 100% integrated).

The Manutan Group operates exclusively in the European market. Although local particularities exist, European countries present a certain level of homogeneity with regard to economic, social, cultural and environmental matters. The methodology and definition of the indicators are therefore identical throughout the whole of the chosen scope.

The main CSR indicators are published every year in the Group Universal Registration Document, which is available on the website www.manutan.com.

The social data presented cover 99.97% of the Group's turnover (these data exclude the company Zack acquired in February 2022 which will only be integrated in 2022/2023 after a full year within the perimeter).

- ▶ Training data of Manutan s.r.o. and Trovatar (Czech Republic), Manutan Slovakia (Slovakia), Manutan Polska (Poland), Manutan Hungária Kft (Hungary), and Sports et Loisirs (France) are excluded. Together, these entities represent 11% of the Group's workforce.
- ▶ Accident data of Manutan SL (Spain), Manutan Unipessoal (Portugal), Manutan Italia (Italy), Manutan GmbH (Switzerland), Manutan Polska (Poland), Manutan Hungaria Kft (Hungary), Kruizinga BV (Netherlands), Manutan NV (Belgium) and Manutan GmbH (Germany) are excluded. Together, these entities represent 8% of the Group's workforce.

The environmental data presented cover all of the Group's activities, with the exception of the following entities:

- ▶ Eurostore Group Ltd – United Kingdom;
- ▶ Manutan GmbH – Switzerland;
- ▶ Manutan Traders Group Ltd – United Kingdom;
- ▶ Manutan SL – Spain;
- ▶ Manutan GmbH – Germany;
- ▶ Trovatar AS – Czech Republic;
- ▶ Zack – France (data related to Zack shall be integrated in 2022/2023, see above).

Overall, the published data cover 98.7% of the Group's turnover and therefore give a representative overview of the data.

The indicator for the quantity of waste produced represents 83.9% of turnover, it being specified that it covers the following sites:

- ▶ the Group's head office at Gonesse (DREDA); Waste figures are partially estimated. Specifically, the following estimates were made:
 - Glass, catering and compost are declared by our waste manager in litres and have therefore been estimated in kilograms by applying a density of 0.75 kg/litre.
 - Computer waste sent for recycling was estimated based on the average weight of a product and the number of products;
- ▶ its French subsidiaries (Manutan Collectivités, Sports et Loisirs (Casal Sport), Papeteries Pichon); and
- ▶ the following foreign subsidiaries: Manutan BV (Netherlands), Manutan UK Ltd, Rapid Racking Ltd, IronmongeryDirect Ltd (United Kingdom), Manutan s.r.o. (Czech Republic), Kruizinga (Netherlands) and Witre AB (Sweden).

Responsible products are offered in all our subsidiaries, with the exception of our Artisan division. Responsible products are therefore defined in the entire offer of the Corporate and Community divisions, which represents 93% of our turnover.

Our supplier assessment covers our Key Markets which represent 52% of the Manutan Group's turnover (Key Markets: France, Belgium, Netherlands, Spain, Italy, Portugal, Germany and Switzerland).

The following indicators are published for the first time for the 2021/2022 financial year and, therefore, do not include comparative data for the previous year:

- ▶ share of Group purchases concerned by supplier audits;
- ▶ percentage of eco-responsible products offered by the Corporate Division in relation to turnover;
- ▶ percentage of eco-responsible products offered by the Communities division in relation to turnover.

Choice of indicators

The indicators have been chosen with regard to the social, environmental and corporate impacts of the activities of the Group's companies and the risks associated with the professional challenges confronted.

Reporting and data collection processes

The data are collected on a pooled basis, or from each entity included in the CSR reporting scope, based on the following sources: extracts from the payroll management system, Excel monitoring files, and invoices etc. Meanwhile, the qualitative information is collected by the Manutan Group's Management Team on a pooled basis.

Methodological limits and particularities

- ▶ The workforce (2,212) is that present at the end of September (excluding staff departing on 30 September).
- ▶ The statistics relating to the workforce are based on the number of permanent employees present and paid as at 30 September (employees who left on 30 September are included). Employees who joined the Company at the end of September but are paid from October are excluded from this figure.
- ▶ For CO₂ emissions associated with the consumption of electricity and natural gas, the following emission factors are used:
 - Natural gas:
 - 0.181 kgCO₂eq/kWh GCV (source: EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, 9 March 2018);

External audits

The Manutan Group has submitted to one of its Statutory Auditors this Non-financial Information Statement, issued for the 2021/2022 financial period pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Pursuant to the provisions of Article L. 225-102-1 V of the French Commercial Code and Article R. 225-105-2 of the French Commercial Code, KPMG SA was appointed as an independent third party organisation tasked with issuing a substantiated opinion on the compliance and faithfulness of the Non-financial Information Statement 2021/2022.

- Purchased heat and steam: 0.23 kgCO₂eq/kWh GCV (source: EPA, "Emission Factors for Greenhouse Gas Inventories," Table 7 Steam and Heat);
- Electricity (source: European Residual Mixes 2018 v1.2 (published July 2019)):
 - France: 0.0532 kgCO₂eq/kWh,
 - Hungary: 0.378 kgCO₂eq/kWh,
 - Italy: 0.487 kgCO₂eq/kWh,
 - Norway: 0.280 kgCO₂eq/kWh,
 - Netherlands: 0.533 kgCO₂eq/kWh,
 - Poland: 0.904 kgCO₂eq/kWh,
 - Portugal: 0.315 kgCO₂eq/kWh,
 - Czech Republic: 0.612 kgCO₂eq/kWh,
 - United Kingdom: 0.381 kgCO₂eq/kWh,
 - Sweden: 0.037 kgCO₂eq/kWh.

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY BODY, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

Year ended 30 September 2022

To the General Meeting of Shareholders,

In our capacity as Statutory Auditors for your company (hereinafter the “entity”) appointed as an independent third party (“third party”), accredited by COFRAC under the number 3-1884⁽¹⁾, we have carried out work aimed at formulating a substantiated opinion expressing a conclusion of limited assurance on the historic information (recorded and extrapolated) from the Consolidated Non-financial information statement, prepared according to the procedures of the entity (hereinafter the “Guidelines”), for the financial period closed on 30 September 2022 (hereinafter respectively the “Information” and the “Statement”), presented in the Group Management Report, pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we implemented, as described in the section “Nature and scope of the work”, and the information that we collected, we did not observe any significant misstatement likely to call into question the conformity of the Statement with regard to the applicable regulatory provisions or the true and fair presentation of the Information, taken as a whole, in accordance with the Guidelines.

Comments

Without calling into question the conclusion expressed above, and in accordance with the provisions of article A.225-3 of the French Commercial Code, we make the following comments:

- The results presented with regard to certain social and environmental risks⁽²⁾ do not include key performance indicators, which does not make it possible to accurately access the performances achieved.

Preparing the Non-financial Information Statement

The lack of any established commonly used and accepted or practised framework of reference that can be used to assess or measure the Information makes it possible to use different, but acceptable, measurement techniques that may affect the comparability between different entities over time.

Consequently, the Information must be read and understood by referring to the Guidelines for which the significant factors are presented in the Statement (or available on the website or on demand from the entity’s registered office).

Inherent limits in the preparation of the Information.

As indicated in the Statement, the Information may be subject to a degree of uncertainty inherent to the state of scientific or economic knowledge and the quality of the external data used. Some information is sensitive to the choice of methodologies, scenarios and/or estimations made to establish them, as presented in the Statement.

Responsibility of the entity

Top Management is responsible for:

- selecting or establishing the appropriate criteria for preparing the Information;
- preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of policies applied with regard to these risks and the outcomes of those policies, including key performance indicators and the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- preparing the Statement by applying the Guidelines of the entity as referred to above; and
- implementing the in-house inspection it deems necessary to establish the Information without any significant misstatements, whether these are the result of fraud or errors.

The Statement has been prepared by the Board of Directors.

(1) Accreditation Cofrac Validation & Verification, No. 3-1884, available on the website www.cofrac.fr

(2) Responsible governance and dialogue with stakeholders; Business ethics and compliance; Responsible communication and transparency; Innovation related to customer expectations in terms of CSR and Transport impacts.

Responsibility of the Statutory Auditor designated as independent third-party body

Based on our work, our role is to formulate a reasoned opinion expressing moderate assurance as to:

- ▶ the Statement's compliance with the provisions of Article R. 225-105 of the French Commercial Code;
- ▶ the accuracy of the historical information (recorded or extrapolated) provided pursuant to Article R. 225-105 I and II 3° of the French Commercial Code, that is to say the results of the policies, including the key performance indicators, and the actions regarding the main risks.

As it is our duty to reach an independent conclusion based on the Information as provided by the Top Management, we are not authorised to be involved in preparing said Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- ▶ the entity's compliance with other legal and regulatory provisions that may apply (in particular with regard to the information provided for by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance plan and preventing corruption and tax evasion);
- ▶ the accuracy of the information provided for by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- ▶ the conformity of products and services to applicable regulations.

Regulatory provisions and applicable professional standards

Our work, as described hereinafter, was carried out in accordance with the provisions of Articles A. 225 01 et seq. of the French Commercial Code, the professional doctrine of the French national auditing body regarding this work, in particular the technical opinion of the French national auditing body, The work of Statutory Auditors, work of the independent third part organisation - Non-financial Information Statement, complements where necessary our own procedures⁽¹⁾, acting as a verification programme, and the international standard ISAE 3000 (revised)⁽²⁾.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the profession's code of ethics. Furthermore, we have implemented a quality control system that includes documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory provisions, ethical rules and the professional standards of the French National Association of Statutory Auditors regarding this type of assignment.

Means and resources

Our work was based on the expertise of five people and took place between November 2022 and January 2023 over a total working time of about three weeks.

To assist us in our work, we called upon our specialists in sustainable development and social responsibility. We conducted nearly a dozen interviews with people responsible for the preparation of the Statement[, representing in particular the Executive Management, Administration and Finance, Risk Management, Compliance, Human Resources, Health and Safety, Environment and Purchasing Departments].

Nature and scope of the work

We planned and carried out our work taking into account the risk of significant misstatements in the Information.

We consider that the procedures that we applied by exercising our professional judgement allow us to formulate a conclusion with limited assurance:

- ▶ We took note of the activity of all the businesses included in the consolidation scope and of their exposure to the main risks;
- ▶ We have assessed the appropriate nature of the Guidelines regarding their relevance, their exhaustiveness, their reliability, their neutrality, and their comprehensiveness, taking into account, where applicable, best practices in the area;
- ▶ We verified that the Statement covers every category of information required under Article L. 225-102-1-III concerning social and environmental matters as well as respect for human rights and the fight against corruption and tax evasion;
- ▶ We verified that the Statement presents the information provided for by Article R. 225-105-II whenever it is relevant to the main risks and includes, where necessary, an explanation of the reasons justifying the absence of the information required by Article L. 225-102-1-III-2;

(1) Procedures of the ESG Centre for Excellence, KPMG France regarding the verification of Non-financial Information Statements as an independent third party organisation.

(2) ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

- ▶ We verified that the Statement presents the business model and a description of the main risks linked to the activity of all the entities included within the scope of consolidation, including, whenever relevant and proportionate, the risks engendered by business relations, products or services as well as policies, actions and results, including key performance indicators relating to the main risks;
- ▶ We consulted documentary sources and conducted interviews in order to:
 - assess the selection and validation process for the main risks and the consistency of the results, including the key performance indicators used, with regard to the main risks and policies presented, and
 - Corroborate the qualitative information (actions and results) that we considered most important, presented in the Appendix. For some risks⁽¹⁾, our work was carried out at the level of the consolidating entity, for other risks, the work was carried out at the level of the consolidating entity and in a selection of entities⁽²⁾.
- ▶ We verified that the Statement covers the consolidated scope, i.e. all the companies included in the scope of consolidation in compliance with Article L. 233-16 with the limits specified in the Statement;
- ▶ We took note of the internal control and risk management procedures put in place by the entity and assessed the collection process with a view to the exhaustiveness and veracity of the Information;
- ▶ For the key performance indicators and the other quantitative results that we considered to be the most important, as presented in the Appendix, we implemented:
 - analytical procedures consisting in verifying the correct consolidation of collected data as well as the consistency of changes in them;
 - detailed tests based on sampling or other selection methods, consisting in verifying the proper application of definitions and procedures, and in reconciling data with supporting documents. This work was carried out with a selection of contributing entities⁽²⁾ and covers 25% to 100% of the consolidated data selected for these tests;
- ▶ We assessed the overall consistency of the Statement with our knowledge of all the entities included in the consolidation scope.

The procedures implemented in the context of our assignment for limited assurance are less extensive than those required for an assignment of reasonable assurance according to the professional standards of the French National Association of Statutory Auditors; a higher level of assurance would have required more extensive verification works.

The Statutory Auditors
Paris La Défense, 10 January 2023

KPMG S.A.

Audrey Cour
Partner Audit - Statutory Auditor

Fanny Houlliot
Expert ESG - Centre d'Excellence ESG

(1) Information regarding responsible governance and dialogue with stakeholders, business ethics and compliance, responsible communication and transparency, sustainable mobility, equitable remuneration, the impact of transport, fighting tax evasion, and fighting corruption.

(2) The Group's head office, DREDA (France) and Manutan BV.

Appendix

Qualitative information (actions and results) considered the most important

Actions taken in favour of integrating people with disabilities
 Remuneration policy
 Collective bargaining agreements regarding social dialogue
 Policy regarding the health and well-being of employees
 Policy relating to the continuous development of employees' skills
 Actions to reduce the environmental impact of the activities
 Actions to use environmentally-friendly packaging
 Actions to reduce the carbon footprint of packaging
 Actions to raise awareness about responsible procurement and the circular economy
 Code of Conduct regarding best practice in business and anti-corruption undertakings
 Actions to implement a CSR approach based on certifications and labels
 Promoting responsible purchasing
 Actions taken to promote the circular economy

Key performance indicators and other quantitative results considered the most important	Level of assurance
Workforce at 30/09/2022 and distribution by gender	Moderate
Workforce on permanent contracts as at 30/09/2022	Moderate
Number of training hours per employee	Moderate
Number of occupational accidents with lost time	Moderate
Frequency rate of occupational accidents with lost time	Moderate
Severity rate of occupational accidents	Moderate
Electricity consumption compared to turnover	Moderate
Natural gas consumption compared to turnover	Moderate
Greenhouse gas emissions resulting from electricity and natural gas consumption compared with turnover	Moderate
Volume of waste produced	Moderate
Portion of purchasing subject to supplier assessment	Moderate
Portion of eco-responsible products offered by the Corporate Division in relation to turnover	Moderate
Portion of eco-responsible products offered by the Local Authorities Division in relation to turnover	Moderate