

Non-financial performance

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5.1 SMCP's CSR approach

5.1.1 The Group and its values

THE GROUP AND ITS VALUES

In the beginning, there were three women, Évelyne Chétrite, Judith Milgrom and Claudie Pierlot who dreamed of dressing Parisians in elegant clothes. Sandro and Claudie Pierlot were created in 1984, then Maje in 1998. The SMCP Group emerged from the union of these three brands in 2010. Fursac was added to the Group in 2019. Founded in 1973, the iconic French fashion house aims to elevate Parisian style. Our four brands have the same purpose.

Driven by this desire to inspire Parisian elegance around the world, SMCP is an international leader in ready-to-wear apparel and accessories, with 1,730 points⁽¹⁾ of sale in 47 countries, reaching €1,231 million in annual sales in 2023.

Because we have a leading role in the accessible luxury sector, we aspire to make this Parisian elegance sustainable by developing more desirable and responsible collections, season after season.

The Group's values form a common foundation for our four brands, bringing together all our employees based on shared principles.

Being a passionate entrepreneur: acting with agility, as if it were your own company. The entrepreneurial heritage of the founders of our four brands is rooted in our veins and we hold their ambition high.

Acting with a sustainable awareness: reducing our negative impacts on the planet to protect its natural resources. We are the ambassadors of our brands and as such, we share the desire to grow them by placing people and the environment at the heart of our actions.

Nurturing creativity and innovation: bringing new ideas to always stay one step ahead. We encourage all our employees to find new solutions to grow the Group's performance in a responsible and sustainable manner.

Developing a global mindset: looking beyond our own field of action. We need to think about the overall impact of our work on an international scale, to respect and include all cultures.

Thinking of elegance as an attitude: showing respect and caring for others. Sensitive to the world around us, we aspire to an ethical and responsible performance.

⁽¹⁾ Of which 1,373 directly operated stores and 357 partner points of sale open at December 31, 2023.

5.1.2 Ambition and strategy

SMCP's CSR strategy is based on three pillars: SMCPProduct, SMCPPlanet and SMCPPeople. Our "3Ps" focus on meeting our major social, societal and environmental challenges. This strategy is implemented within the Group's four brands through annual roadmaps and targets for 2030.

The Group's CSR performance is based on external assessments carried out both by the Carbon Disclosure Project (CDP) (on our climate policy) and by the non-financial rating agency Sustainalytics on all ESG topics (environment, social and governance). In 2023, SMCP obtained the following results:

- CDP A- score (B score in 2022) positioning the Group above the global average of companies in the "Textiles and Fabric Goods" segment;
- low ESG risk according to the agency Sustainalytics, which ranks the Group among the top 10% of companies analysed (15,588 companies assessed).

In addition, SMCP is a signatory of the United Nations Global Compact. The Global Compact brings together companies and non-profit organisations around CSR and sustainable development issues. It offers a framework of voluntary commitment based on ten principles to be respected in terms of human rights, labour law, the environment and the fight against corruption. It is also mandated by the United Nations to support the implementation of an Agenda 2030 and the adoption of the Sustainable Development Goals (SDGs) by the business world.

All SMCP contributions to the SDGs can be found in paragraph 5.9: UN Sustainable Development Goals Cross-Reference Table.

5.1.3 Main non-financial risks

An analysis of non-financial risks was initially carried out in 2018 as part of the work used to define the Group's CSR strategy. Conducted by a specialised consulting firm, this analysis was based on a series of internal interviews and interviews with external stakeholders. The analysis of CSR risks is subject to an annual review with the Group Internal Audit Department as part of the update of the company's risk mapping. The CSR risks are presented in Chapter 2, "Risk factors and internal control", of this universal registration document, in the following Sections:

- Talent and key people management;

- Suppliers, manufacturers and products;
- Respect for human rights, fundamental freedoms and ethics;
- Evolution of major global climate and biodiversity issues.

This Statement of Non-Financial Performance sets out the policies implemented to address these risks as well as the monitoring indicators associated with these policies.

Risks	Risk management policies described in the SNFP		Indicator
Talent management	5.5.2	Recruiting, motivating and developing talent	Employees, gender pay gap, turnover, internal mobility, training
	5.5.4	Committing to inclusion and diversity	
Working conditions	5.5.3	Ensuring the health and safety of all and promoting social dialogue	Workplace accidents
Corruption and ethics	5.5.5	Demonstrating ethics and solidarity	-
Product quality and safety	5.3.1	Monitoring the safety and manufacturing conditions of our products	More responsible collections, CSR certifications and audits, results of social audits
Compliance with human rights and social and environmental standards by our suppliers	5.3.1	Monitoring the safety and manufacturing conditions of our products	
	5.3.3	Developing the traceability of our supply chains	Traceability
	5.3.2	Offering a range of products with a lower environmental impact	More responsible collections, certifications and CSR audits
Climate change and biodiversity loss	5.3.3	Developing the traceability of our supply chains	
	5.3.4	Promoting the circular economy	Traceability
	5.4.1	Measuring and reducing our carbon footprint	GHG emissions Energy consumption, renewable electricity, transport
	5.4.2	Controlling our energy consumption and using more sustainable modes of transport	
	5.4.3	Rethinking our points of sale	
	5.4.4	Reducing and recycling our waste, reason our use of single-use supplies	
Animal welfare	5.3.2	Offering a range of products with a lower environmental impact	More responsible collections

5.1.4 CSR governance and integration of CSR objectives into assessment of the Company's performance

The CSR strategy is driven by the Group Board of Directors and Executive Committee and implemented by SMCP's CSR Department with the help of contacts within the brands and the various geographical segments.

In 2023, a Sustainability Committee was created within the Board of Directors to strengthen the consideration of societal and environmental issues in the Group's governance. The Sustainability Committee met twice during the year, and was chaired by an independent director specialising in circular economy issues. CSR is represented on the Executive Committee by the Director of Human Resources and CSR. A steering committee monitors the progress of the annual roadmap and involves representatives of the various Business Units (brands, France-Europe, North America and Asia regions) and support functions.

Each year, CSR objectives are defined in line with the three pillars of the Group's CSR strategy: SMCPProduct, SMCPPlanet and SMCPPeople. 25% of the variable compensation paid to corporate officers is based on the achievement of these objectives, and they also constitute one of the performance criteria in the free share award. The objectives for 2023 covered the topics of production chain traceability, climate policy and defining a diversity and inclusion strategy. From 2024, CSR criteria will be systematically integrated into the individual objectives of the members of the Executive Committee and the Management Committees of all Business Units.

In addition, since 2022, a CSR objective has been taken into account when calculating incentives for Group employees working in France (excluding Fursac).

5.2 Business model

The full overview of the Group's business model is available in Chapter 1 "The Group and its activities" of this universal registration document.

5.3 SMCPProduct: producing ever more desirable and responsible collections

5.3.1 Monitoring the safety and manufacturing conditions of our products

SMCP is committed to developing its activities with respect for the environment and human rights by ensuring that its suppliers adhere to and comply with these principles.

This policy is part of a supplier approach based on contractual commitments, checks and support. Our brands rely on a stable base of suppliers, with whom they build relationships of trust and a shared desire for continuous improvement.

5.3.1.1 PRODUCT SAFETY AND QUALITY

The Group's brands have structured and stringent policies on the safety and quality of the products they market. For cut-and-sew products, all components are supplied by our brands. For our finished products, the components are set by our brands and purchased by the suppliers.

Shared standards for our brands were appended to their General Terms and Conditions of Sale (GTC) which stipulate in particular that:

- products must meet all the toxicological requirements of Regulation 2006/1907/EC of December 18, 2006, known as "REACH" (azo dyes, allergenic dyes, carcinogenic substances, etc.), of the POP regulation (EU regulation 2019/1021 of June 20, 2019) on persistent organic pollutants, the requirements of the Regulation on biocides (EU regulation no. 528/2012) and all those concerning materials of animal origin;
- quality tests must be carried out by accredited laboratories;
- final inspections are required, carried out by independent service providers before the products are shipped.

5.3.1.2 MONITORING SOCIAL AND ENVIRONMENTAL CONDITIONS FOR PRODUCT MANUFACTURING

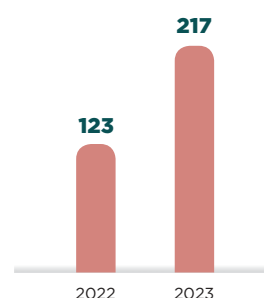
The social and environmental compliance policy for suppliers is based on the following system:

- prior to any commercial relationships, all suppliers must sign a Code of Conduct setting out in detail our requirements (code freely available on the Group's website^[1]). The signing of this code commits the supplier in its manufacturing plants but also in respect of its own suppliers;

- when listing a new supplier, the collection and review of social audits or social certifications available to the manufacturing sites;
- social and environmental audits can either be performed by the Group, or carried out at the request of other companies according to standards recognised by the Group (BSCI, SEDEX, WRAP, WCA and SA 8000);
- follow-up of the corrective action plans put in place following the audits.

Social audits

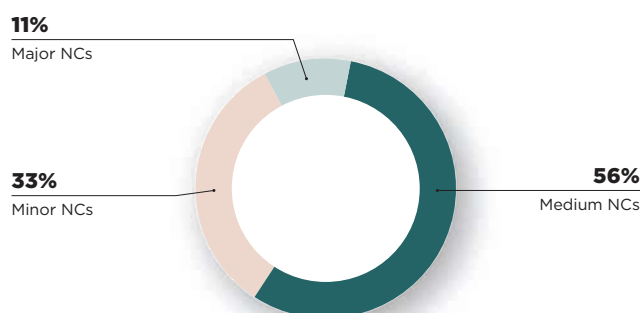
Number of suppliers
with current certification or social audit



In 2023, 217 of the Group's suppliers (finished products, cut-and-sew products, fabrics) had an up-to-date social audit report. 52 social audits were carried out directly by the Group in 2023 and carried out by an independent international audit firm. These on-site audits are based on a large number of criteria. They set in motion a continuous improvement momentum aimed at sharing best practices. Certain topics are particularly important to the Group and its brands, such as banning child labour, ensuring that all employees have employment contracts, following international recommendations on working hours, ensuring that there is no discrimination in the hiring process and that there is no forced labour, complying with the minimum wage, ensuring that personal protective equipment is present and worn correctly, having certificates that certifies that the site's construction is legal, ensuring that there are fire safety procedures in place, ensuring that all plant fittings are correctly maintained, and making sure that chemical products are stored safely.

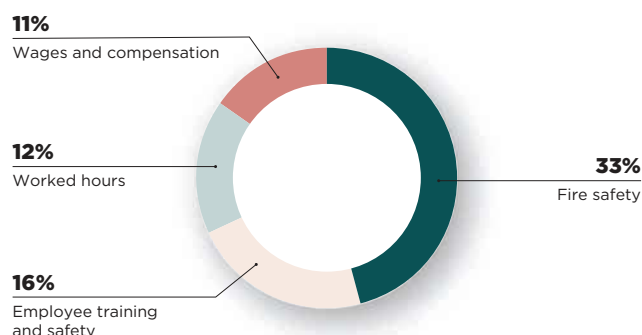
[1] <https://www.smcp.com/fr/homepage/rse/documents-ethique-rse/>

Breakdown by severity of non-compliances identified during social audits conducted by the Group in 2023



The social audits conducted in 2023 revealed 304 anomalies (an average of six per audit).

Breakdown by theme of the main anomalies noted during the social audits conducted by the Group in 2023⁽¹⁾



At the end of these audits, corrective action plans are defined and we help our suppliers to implement them through an appropriate personalised follow-up: control audit over a period of two to three years, remote review or follow-up audit at six months or one year, depending on the circumstances.

Following the social audits conducted by the Group in 2023, two commercial collaborations came to an end.

5.3.2 Offering a range of products with a lower environmental impact

Materials and transformation processes with a lower environmental impact

The manufacturing steps of our products (raw materials, transformation into thread and fabric, dyeing) are responsible for most of the environmental impacts related to our business. This issue is therefore a priority in our sustainable development approach. Reducing greenhouse gas emissions, impacts on biodiversity, water consumption, the use of chemicals and polluting emissions are all issues that we address through the increased use of materials and/or transformation processes with a lower environmental impact.

Our finished product and cut-and-sew product factories are mainly located in the Euromed zone⁽²⁾ (62%) and in Asia⁽³⁾ (37%).

The Group's brands consume various raw materials, mainly of natural origin: polyester (31%), cotton (25%), viscose (18%), wool (16%) and leather (10%). Environmental criteria have been defined for all these materials in order to identify alternatives with a lower environmental impact. These criteria are based on a selection of independent labels, materials and manufacturing techniques whose environmental benefits are based on factual and public evidence. Our target is to achieve 100% of SKUs meeting our environmental criteria by 2030.

The materials with a lower environmental impact that we recognise are:

- organic cotton certified by the GOTS or OCS labels;

- recycled materials (polyester, nylon, wool, viscose, cotton, etc.) certified by the GRS or RCS labels;
- sheep, alpaca or angora goat wool (mohair) certified by labels which protect ecosystems and animal well-being: Responsible Wool Standard (RWS) for sheep's wool, Responsible Mohair Standard (RMS) for mohair and Responsible Alpaca Standard (RAS) for alpaca wool;
- FSC-certified viscose guaranteeing wood supplies from sustainably managed forests and specific viscose brands, which in addition to being FSC-certified also guarantee a more environmentally-friendly manufacturing process (significant reduction in water and energy consumption and in chemical use);
- European linen certified by the European Flax or Master of Linen labels.

For a product to be considered more responsible, at least 50% of its main material must meet one of these criteria.

The transformation processes with a lower environmental impact that we recognise are:

- for denim, the most water, energy and chemical-efficient washing techniques which obtain the best score in Jeanologia's Environmental Impact Measurement (EIM)⁽⁴⁾;
- leather from tanneries certified by the Leather Working Group (LWG) label at Silver or Gold level. These tanneries meet industry best practices in terms of water and energy consumption and the use of chemicals.

⁽¹⁾ Breakdown based on average and major non-conformities.

⁽²⁾ Turkey, Morocco, Tunisia, Portugal, Spain, Italy, France, United Kingdom, Bulgaria, Romania, Ukraine, Poland, Serbia.

⁽³⁾ China, Thailand, Cambodia, Vietnam, India.

⁽⁴⁾ <https://www.jeanologia.com/eim/>

By using this shared framework, all our brands have taken on this strategy of a more responsible offering based on their identity and their specific procurement models. Various programmes have thus emerged within each brand in recent years to increase the proportion of more environmentally friendly products, including: Sandro for the Future at Sandro, Dream Tomorrow at Maje and Claudie Cares at Claudie Pierlot. To support the development of this offering, our Style and Production teams have regular training on responsible sourcing and eco-design. In 2023, the carbon footprint results were presented to each brand's teams, to provide them with the keys to understanding the main sources of CO₂ during the manufacture of products. An eco-design tool has also been developed for stylists to classify materials according to their environmental performance.

Thus, in 2023, the proportion of manufactured products meeting SMCP's environmental criteria was 60% overall for our four brands. This proportion is 59% at Sandro, 58% at Maje, 74% at Claudie Pierlot and 19% at Fursac.

Collections with a lower environmental impact

(Ready-to-wear and accessories, for our four brands in E23 and H23)

Percentage of manufactured products meeting our environmental criteria	Share of SKUs meeting our environmental criteria
60%	52%

Change in the share of collections with a lower environmental impact on a like-for-like basis

(Between 2022 and 2023, ready-to-wear and accessories)

Between 2022 and 2023, the number of products manufactured and the number of SKUs meeting SMCP environmental criteria increased by 9 and 6 points respectively.

Respect for animal welfare and protection of endangered species

The Group and its brands have been committed to animal welfare for several seasons. Our four brands stopped using fur in early January 2020, and we are gradually increasing the use of wool that guarantees breeding practices that respect animal welfare (RWS-certified).

In addition, none of the Group's brands use leather from exotic animals (pythons, water snakes, crocodiles, etc.) or test on animals (which is rare in the textiles industry).

5.3.3 Developing the traceability of our supply chains

At SMCP, we are committed to being transparent with our customers about the origin of the creations of our Parisian Houses. We are transparent in the CSR progress we are making, as well as being clear about what remains to be done to dress the world in an ever more elegant and ethical way.

In 2022, SMCP established a partnership with Fairly Made, a French green tech player, to retrace the journey of each of our items.

Since the summer of 2022, we have been offering our customers a QR code in-store or via a link on our e-shop product sheets, which provides quick access to information on suppliers involved at each stage of the production line, together with the traceability score awarded.

In addition to being informative for our customers, this universal analysis tool of our supply chain is precious to enable us to improve the environmental performance of our production, because, in addition to the countries in which suppliers are located, other information useful for the analysis of environmental performance is collected, such as product certifications, site certifications or the modes of transport used between the various stages of production. The geographical location of suppliers, particularly in terms of raw materials, also provides essential information to assess the level of environmental risk of our supplies (areas of water stress, areas at risk of deforestation, etc.).

In accordance with the provisions of the AGECE Law in France, information on the country in which the making, weaving, knitting, dyeing or tanning stages of all the pieces in the Sandro, Maje and

Claudie Pierlot E23 and H23 collections are carried out was made available to customers in 2023⁽¹⁾. Fursac will follow the same path in 2024. Our 2025 target is that all of the items sold by the Group's brands include traceability information that goes beyond this regulatory framework (countries where the spinning is carried out, with minimum information on the country of production of the raw material in many cases).

**% of SKUs
for which traceability information beyond the regulatory
minimum is available**

In 2023, 50% of the SKUs marketed by the Sandro, Maje and Claudie Pierlot brands had (via QR Code and/or on the e-commerce website) information on the traceability of their manufacture going back at least to the spinning stage.

5.3.4 Promoting the circular economy

To tackle fast fashion and over-consumption in the fashion industry, and in response to our customers' expectations for a real accessible luxury alternative, SMCP has decided to make a concrete commitment to the circular economy.

Our approach is based on four areas:

- **rental:** an alternative in line with the ethical aspirations of our customers for more responsible consumption, and our desire to make luxury more accessible. In 2021, Maje launched #MAJELOCATION, a unique rental service to optimise the use of its already produced iconic pieces and allow its French customers to borrow the item of their dreams, for one day. In 2023 the Maje rental service was opened in the United States. With our North American subsidiary, we continue our leasing actions in partnership with the market leader, Rent the Runway, which offers Maje and Sandro parts for rent. In 2023, Sandro also launched a rental service in partnership with a specialized online platform in the United Kingdom;
- **second hand:** Sandro's second hand service opened in 2021, offering a second life to Parisian pieces that our customers no longer wear. A new online platform allows enthusiasts of the brand to sell and buy used Sandro clothing with ease. This

second-hand platform has continued its development in France, and is now available in Germany, Spain, the Netherlands and the United States. Maje launched its second-hand platform in November 2022, while Claudie Pierlot will launch its second-hand offering in 2024;

- **the use of recycled materials:** recycling substantially reduces the environmental impact of the production of products, and reduces the pressure on the consumption of natural resources. In 2023, recycled materials represented 25% of the labelled materials used by the Group's brands. A wide variety of recycled materials have been used in our collections: polyester, leather, wool, cotton, viscose and brass. The use of these materials by stylists is encouraged by the Group's environmental policies;
- **responsible management of our unsold products:** in accordance with regulations, we do not destroy unsold goods and each of our brands has implemented multiple solutions to offer them a second chance. Whether through private sales, outlet stores or donations to associations such as Aides and La Cravate Solidaire, they always find a new home. We give a new lease of life to our defective items by organising a sale for our employees and their families, or using recycling solutions. For example, 2,800 pairs of defective Maje shoes were recycled in 2023 to help build a cycle path in northern France.

⁽¹⁾ The AGECE Law requires the publication of information on the manufacturing steps of ready-to-wear products (excluding leather products) and footwear. No traceability information has been published for outlet references.

5.4 SMCPlanet: Reducing our environmental impact

SMCP and its four brands aspire to a more elegant, but also a more responsible future, and global growth that pushes for solutions to climate change and the loss of biodiversity. To achieve this, we are deploying all our energy to create more virtuous products, to use more environmentally responsible transport flows for the manufacture and distribution of our items, to manage our energy consumption, to open our Green Stores worldwide, and to raise our employees' awareness of green issues.

5.4.1 Measuring and reducing our carbon footprint

5.4.1.1 TARGETS AND GOVERNANCE OF THE CARBON STRATEGY

In 2023, the SMCP Group's greenhouse gas emissions reduction targets were validated by the Science Based Targets (SBTi) initiative. This benchmark international organization independently assesses the compatibility of companies' carbon trajectories with the targets set by the Paris Climate Agreement.

It is in this context that SMCP is committed to reducing, between 2021 and 2030:

- its emissions in absolute value from scopes 1 and 2 of the GHG Protocol by 42.5% (mainly energy consumption of stores);
- its GHG Protocol Scope 3 emissions related to the production and transportation of products by 25%.

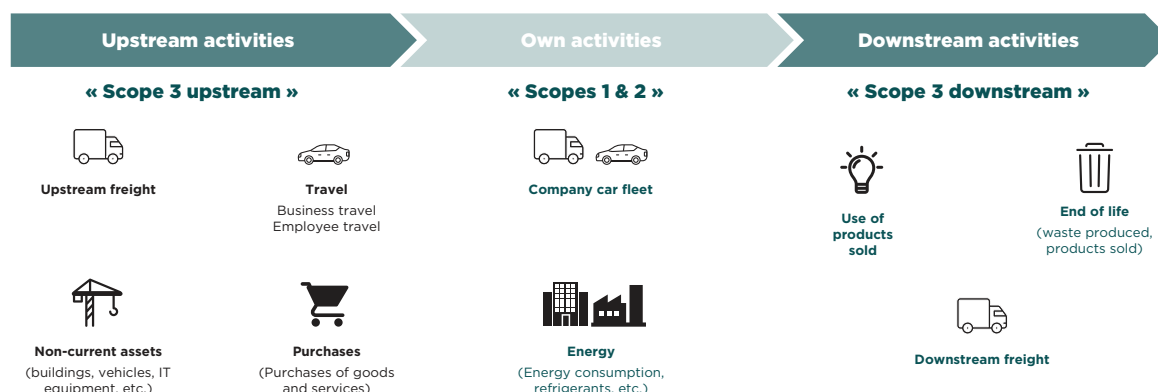
We have a strategy in place to achieve these targets, approved by the Board of Directors, primarily based on the increased use of certified materials, the reduction of energy consumption and the decarbonization of the manufacturing steps of products, the development of second-hand and rental, reducing air freight and purchasing electricity from renewable sources.

A steering committee is responsible for monitoring this strategy. It is composed of the Chief Executive Officer, the Chief Executive Officer of Sandro, the Chief Financial Officer, the Director of Operations and Transformation, the Director of Strategy, the Human Resources and CSR Director, the Production Directors of Sandro and Maje, and the Group CSR team.

5.4.1.2 BREAKDOWN OF THE GROUP'S GLOBAL GREENHOUSE GAS EMISSIONS

Each year, the Group performs a total measurement of its carbon footprint. As the calculation of all emissions for 2023 has not been finalised at the date of this universal registration document, the graphs below show the results for 2022.

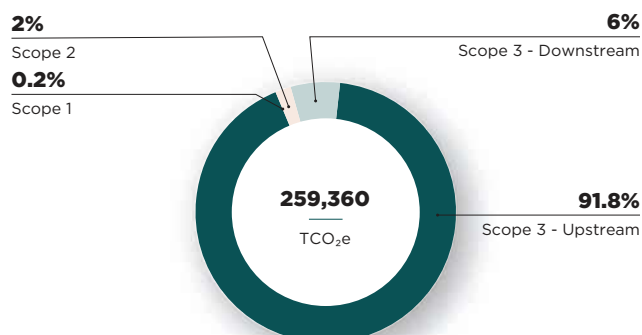
Main sources of emissions in the Group's carbon footprint



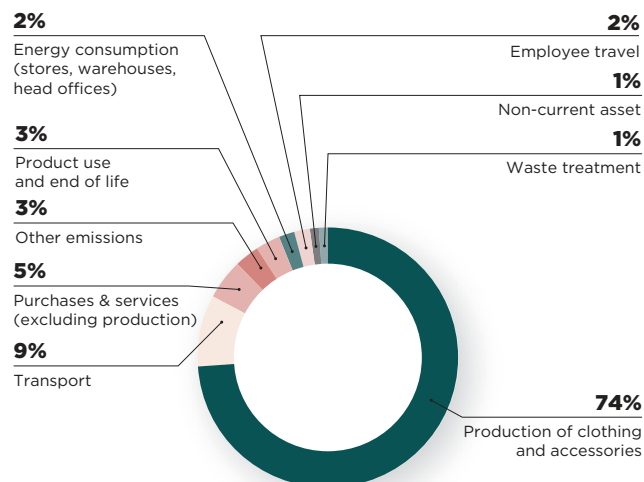
Change in the carbon footprint between 2021 and 2022 (kgCO₂e per product manufactured)

Between 2021 and 2022, the Group's CO₂ emissions increased from 248,742 metric tons to 259,360 metric tons, representing an increase of 4.3%. This change is due to the return to normal economic activity in 2022 compared to 2021, which was still suffering from the consequences of the Covid crisis, particularly in China where many stores remained closed for part of the year. CO₂ emissions by product manufactured, however, decreased by 7.5% over the period, reflecting the efforts made to reduce the carbon impact of our activity.

Breakdown of 2022 CO₂ emissions by scope (in %)



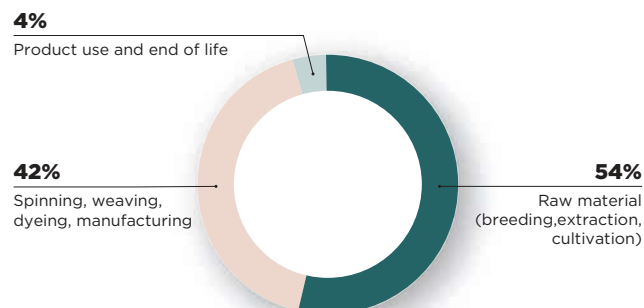
Breakdown of 2022 CO₂ emissions by category



The graph above shows that almost all of SMCP's CO₂ emissions are indirect. Thus, product production alone accounts for 74% of our annual emissions.

Focus on products

Carbon footprint related to the manufacture, use and end of life of products



Raw materials are the primary source of CO₂ emissions as part of the life cycle of products marketed by the Group. Materials of animal origin (wool, cashmere, leather) are those with the highest carbon intensity per kg. The steps involved in transforming the raw material into the finished product account for 42% of emissions. It is the dyeing phase that emits the most CO₂, followed by spinning, weaving and manufacturing.

5.4.2 Controlling our energy consumption and using more sustainable modes of transport

5.4.2.1 ENERGY CONSUMPTION AND RELATED CO₂ EMISSIONS

2023 ENERGY CONSUMPTION BY ENERGY SOURCE

(IN KWH)

Energy source	Consumption in kWh
Electricity	20,403,458
Gas	379,442
Total	20,782,900

Energy consumption of buildings operated by the Group (registered offices, warehouses, shops)⁽¹⁾ stands at 20,783 MWh⁽²⁾. Electricity accounts for 98% of energy consumption.

CHANGE IN ELECTRICITY CONSUMPTION BETWEEN 2022 AND 2023 ON A LIKE-FOR-LIKE BASIS⁽³⁾ (IN KWH)

Energy source	2022	2023	Change
Electricity	16,420,416	15,839,926	-4%
Gas	498,620	359,122	-28%
Total	16,919,036	16,199,048	-4%

On a like-for-like basis, the Group's electricity consumption decreased by 4% between 2022 and 2023.

For several years, the Group has been pursuing a policy of reducing energy consumption when opening or renovating stores. LED lighting is installed throughout, and more efficient air conditioning or heating equipment is installed. Since 2022, our stores have also modified their on and off times as well as their air conditioning and heating instructions to move towards greater energy efficiency.

2023 CO₂ EMISSIONS BY ENERGY SOURCE

(IN TONNES OF CO₂EQ)

Energy source	CO ₂ emissions (tCO ₂ eq)
Electricity	5,452
Gas	69
Total	5,521

CO₂ emissions related to the energy consumption of buildings in 2023 stood at 5,521 metric tons of CO₂.

CHANGE IN CO₂ EMISSIONS RELATED TO ELECTRICITY CONSUMPTION BETWEEN 2022 AND 2023⁽³⁾ (IN METRIC TONS OF CO₂ EQ)

Energy source	2022	2023	Change
Electricity	3,610	3,342	-7%
Gas	90	65	-28%
Total	3,700	3,407	-8%

On a like-for-like basis, CO₂ emissions related to the Group's energy consumption increased by 8% between 2022 and 2023. This decrease is due to the decrease in energy consumption and a higher share of electricity from renewable sources in 2023. Indeed, the share of stores covered by electricity contracts with guaranteed renewables increased from 32% to 57% between 2022 and 2023. We have a target of 80% renewable energy consumption by 2025.

(1) For all data on electricity, the consumption of subcontracted warehouses, corners and affiliates is excluded.

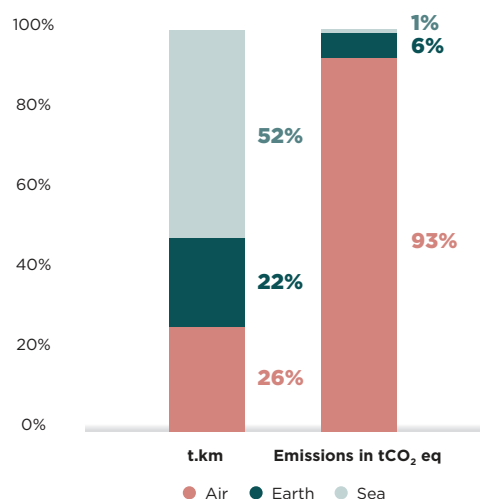
(2) 23% of the energy consumption was estimated based on the average consumption ratio per m².

(3) Sites open throughout 2022 and 2023.

5.4.2.2 MODES OF TRANSPORT AND RELATED CO₂ EMISSIONS

In 2023, the Group's freight transport emissions represented 18,445 tonnes of CO_{2e}. These emissions are mainly generated by upstream freight, which accounts for 82% of SMCP's transport emissions.

Carbon footprint for product transportation



The graph above illustrates the dominant proportion of air transport in greenhouse gas emissions from transport. Air transport accounts for 26% of the quantities transported and around 93% of greenhouse gas emissions from freight. Maritime transport is the Group's most widely used mode of transporting goods. It represents less than 1% of transport-related CO₂ emissions for 52% of the quantities transported. The gradual transition from air transport to maritime, road or rail transport is therefore one of the priorities for the coming years, in order to reduce the Group's carbon footprint. Between 2022 and 2023, the share of air transport decreased from 37% to 26%.

	Metric tons.km	Metric tons.km (%)	GHG emissions (tCO _{2e})	GHG emissions (%)
Sea	31,486,001	52%	267	1%
Air	15,836,580	26%	17,103	93%
Road	13,063,371	22%	1,075	6%
TOTAL	60,385,952	100%	18,445	100%

Comparison of greenhouse gas emissions related to freight transport between 2022 and 2023

Greenhouse gas emissions from freight transport decreased by 16% between 2022 and 2023, from 22,046 tCO_{2e} in 2022 to 18,445 tCO_{2e} in 2023. This decrease is due to a significant 17% decrease in air traffic during the period.

5.4.2.3 SUMMARY OF 2023 CO₂ EMISSIONS

GHG Protocol scopes	CO ₂ emissions (tCO _{2e})
Scope 1/Category 1 - Natural gas combustion	69
Scope 1/Category 2 - Fuel combustion (company vehicles)	69
Total Scope 1	138
Scope 2 - Electricity consumption (marked-based)	5,452
Scope 3/Category 3 - Emissions related to energy combustion not included in scopes 1 and 2	1,206
Scope 3/Category 4 - Upstream freight transport	15,173
Scope 3/Category 6 - Business travel	1,791
Scope 3/Category 9 - Downstream transport of goods	3,272
Total Scope 3	21,442
Total Scopes 1, 2 and 3	27,032

5.4.3 Rethinking our points of sale

Our stores are our showcase to the outside world and should embody our desire to reduce our environmental impact. In 2021, "Green store" specifications were developed for store openings and renovations.

In our opinion, seven main areas characterize the definition of a Green Store:

- LED lighting throughout;
- the use of certified materials (FSC wooden floors, recycled brass, etc.) and the reuse of materials and decorative items from one store to another;
- reducing as much as possible the proportion of lost-water air conditioning, in favour of air-to-air climate control;

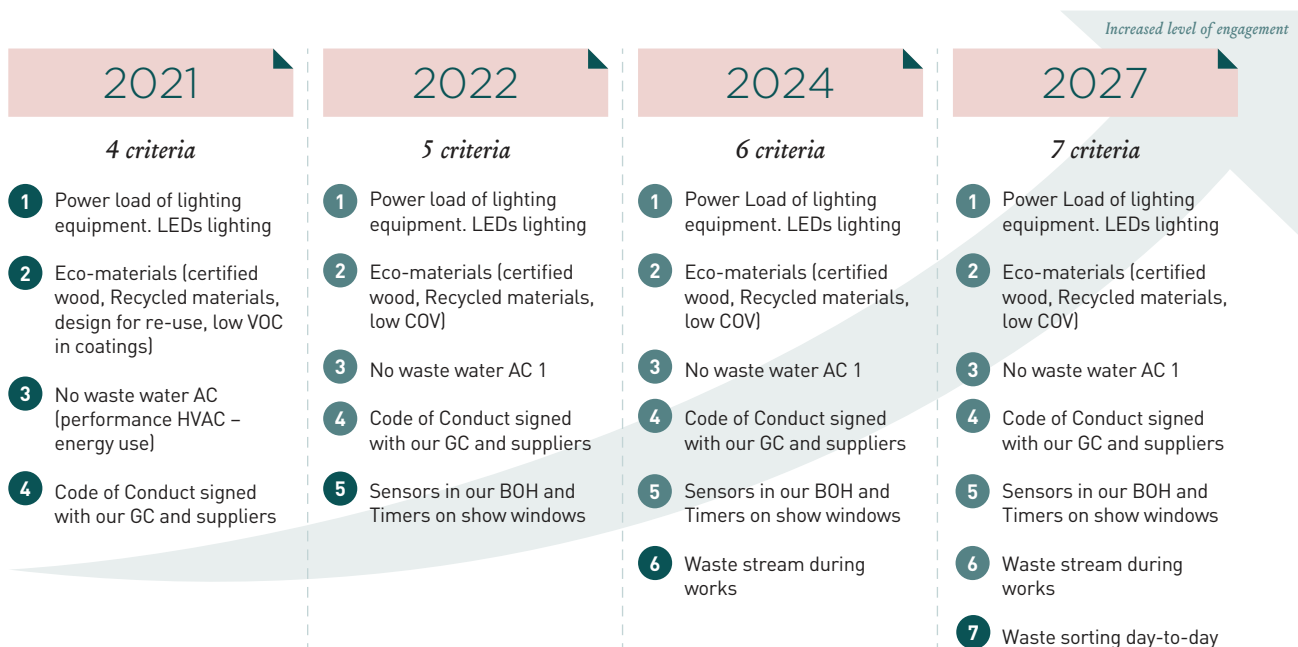
- the signing by all our TCE and^[1] suppliers of the Supplier Code of Conduct to ensure that all those working on projects respect our ethical and moral values;

- the installation of sensors in storerooms (activity detectors for all lighting) and clocks in the window to ensure that the window lights are switched off in the evening;

- sorting construction waste during works;

- daily waste sorting in stores.

These criteria are being implemented gradually over the 2021-2027 period.



In addition to the application of the "Green Store" criteria, certain stores are subject to environmental certification procedures. In 2023, two new stores were certified:

- LEED Gold for the Sandro Hangzhou Mixc store;
- LEED Gold for the Maje Hong Kong IFC store.

In total, 13 of our stores worldwide are now LEED-certified (Leadership in Energy and Environmental Design). The SMCP Group registered offices and the Maje and Claudie Pierlot brands in Paris are HQE certified.

[1] Tout Corps d'Etat – all trades involved in construction projects

5.4.4 Reducing and recycling our waste, reason our use of single-use supplies

At registered offices, waste sorting has already been in place for a long time. In order to reduce our paper consumption and waste production, we have digitised a number of media, including employment contracts and employee administrative documents, meal vouchers and invoices.

In our warehouses, we take action to promote the recycling of cardboard, plastic packaging and paper.

Recycling systems are being gradually implemented in our stores.

Actions are also taken to reduce the environmental impact of packaging:

- the majority of our brands' polybags are now fully recyclable and made of recycled materials;

- shopping bags are made of certified paper from sustainably managed forests and are plastic-free to allow better recyclability;
- we favour the use of recycled wooden hangers in stores;
- in terms of e-commerce, customers of the Sandro and Maje second-hand sales sites are offered Hipli reusable packaging, and Claudie Pierlot and Fursac launched trials in 2023 to ship e-commerce orders using this packaging.

5.5 SMCPeople: Unveiling the potential of our passionate entrepreneurs

Within SMCP, each employee is considered at the highest level, whatever their job, and wherever they are in the world.

Because all of our passionate entrepreneurs are our creative force and the future of our four Parisian fashion houses, we respect each other's talent and uniqueness and offer everyone the means to find their place and flourish as long as possible.

In 2023, the Group gained two certifications rewarding its efforts towards its employees:

- the **"HappyAtWork" certification**, with an overall satisfaction score of 4.26/5, issued by ChooseMyCompany on the basis of a survey conducted among all our employees worldwide. These very positive results will enable us to capitalize on our strengths (subjects with more than 80% positive ratings), such as: the pride of our employees in working for our Brands, alignment with the Company's values, the meaning and impact that everyone sees in their work, as well as the pleasure of coming into our work environments in terms of location and atmosphere. They will also enable us to continue to improve on the less positive areas. We are also delighted that CSR was the subject most highly recognized and praised by our teams;
- the **"Happy Trainee" certification** also issued by ChooseMyCompany. The overall satisfaction score of 4.16/5 reflects a positive, rewarding and stimulating learning environment. 91.7% of our interns and work-study students therefore recommend doing their internship or work-study program within the SMCP Group.

5.5.1 Workforce and employment structure within the Group

5.5.1.1 NUMBER AND DISTRIBUTION OF EMPLOYEES

At December 31, 2023, the Group employed a total of 6,660 people, of which approximately 13% for the Sandro brand, 9% for the Maje brand, 7% for the Claudie Pierlot brand and 4% for the Fursac brand. The rest of the workforce is spread over SMCP North America, SMCP Asia, SMCP Global Services and SMCP Logistique.

The table below shows the breakdown of the Group's workforce by geographical segment, subsidiary, function and age at December 31, 2022 and 2023:

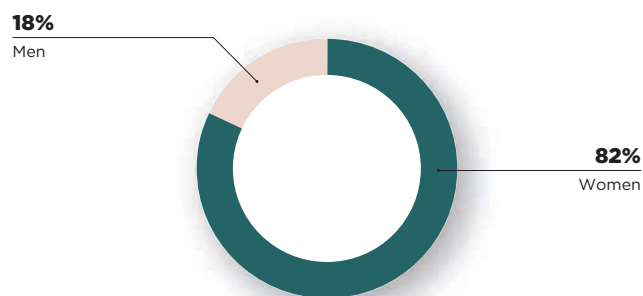
Geographical segment	2022	2023
France	2,578	2,645
Europe	1,708	1,761
United States	659	655
Asia	1,580	1,599
TOTAL	6,525	6,660

Subsidiaries	2022	2023
SMCP SA	27	26
SMCP GROUP SAS	170	189
SMCP LOGISTIQUE SAS	149	146
SANDRO ANDY SAS	880	871
MAJE SAS	654	660
CLAUDIE PIERLOT SAS	451	488
SMCP ASIA Ltd. and its subsidiaries	1,580	1,599
SMCP USA Inc. & SMCP CANADA Inc.	659	655
FURSAC SA	247	265
OTHER SUBSIDIARIES	1,708	1,761

Categories	2022	2023
Registered offices	966	1,020
Networks	5,410	5,494
Logistics	149	146
TOTAL	6,525	6,660

Age pyramid	2022	2023
< 30 years old	2,806	2,820
30-50 years old	3,393	3,495
> 50 years old	326	345

Breakdown of workforce by gender at December 31, 2023



5.5.1.2 EMPLOYMENT STRUCTURE

The table below shows the breakdown of the Group's workforce by type of contract as at December 31, 2022 and 2023:

Employees per type of contract	2022	2023
Permanent contracts	5,612	5,767
Other (fixed-term contracts, apprentices, interns)	913	893

The turnover rate of the Group's permanent staff was 56% in 2023.

As of December 31, 2023, 87% of the Group's employees were on permanent contracts, and 72% on full-time contracts.

5.5.2 Recruiting, motivating and developing talent

Because we are convinced that professional fulfilment promotes productivity and creativity, we are committed to valuing each of our employees.

We also ensure that all our employees are well received and trained in our values and our business lines from the first day of their arrival, in order to offer internal mobility opportunities and to enable them to develop as much as possible within the Group. The Company has a compensation system based on motivation, fairness and competitiveness, which also helps it to recruit and retain its talent.

All of our employees around the world now have access to our e-learning platform. In 2023, 75% of them used it for training. We also aim to keep the annual rate of open positions filled through internal mobility at a high level (the figure for 2023 was 33%).

5.5.2.1 RECRUITING AND ONBOARDING OUR NEW EMPLOYEES

Recruitment

In 2022, the Group launched an inclusive recruitment event for salesperson positions in Paris via a recruitment campaign proposing an application without a CV, and based solely on candidate motivation.

Moreover, through our first agreement on professional equality, quality of life at work and diversity, the Group undertakes to hold a recruitment event without a CV at least once a year, to guarantee greater fairness in the recruitment process.

Offering an onboarding experience to all our employees

Onboarding registered offices and warehouses: The onboarding process for new employees at the SMCP registered office is composed of several key steps:

- on a regular basis, a full morning is dedicated to welcoming new recruits and providing them with a comprehensive view of the Group, including a presentation of the organisation of the SMCP Group, its brands and how the various business lines work together;
- our new employees are then given a guided tour of the Vémars and Marly-la-Ville warehouses to discover and understand the logistics business lines;
- all new employees also take part in the information meeting called SMCP VISION. They learn about the Group's history and its values;
- all new hires can use the MyLearning digital platform as soon as they start, and specific training is also provided;
- lastly, to allow the new registered office recruits to gain in-depth knowledge of the activity of SMCP's brands, they may have the opportunity to visit a pilot store of one of the Group's brands for a day.

Retail onboarding: The onboarding process for our employees in the network combines on-the-job learning with our e-learning platform, which provides key support during this strategic period. The onboarding process varies according to the brand and the function that the employee joins (Regional Director, Store Manager/Deputy Store Manager, Sales Assistant etc.).

Depending on the various durations of the process for each role and brand, Regional Directors, Store Managers and Deputies go through the pilot point of sale, which is the benchmark in terms of onboarding, to be trained by an expert.

The onboarding experience of our sales staff is organised by the point of sale Manager. It generally lasts two to three weeks, giving them ample time to discover their job, including brand (brand history and values/DNA of the House), sales (steps of the customer journey, sales techniques and the omnichannel approach), Product (respect for the product, knowledge of collections and trends, enhancement via the merchandising visual policy), management (handling the point of sale, opening and closing, validating payments, stock).

5.5.2.2 TRAINING ALL OUR EMPLOYEES

All of our employees worldwide with more than three months' service are provided with a professional e-mail address and access to the MyLearning international online training platform. Therefore, they can follow daily training on a range of subjects, thus developing their skills and enhancing their expertise.

We endeavour to give everyone access to key modules such as Strategy & Values, Brand Culture, Collections and Sales Ceremonies, to enable them to fully accomplish their mission within the Group.

To engage all our employees in our sustainable development strategy, we created a CSR training course in 2021 on MyLearning. We inform them about our major social, environmental and societal ambitions so that they are imbued and inspired by them every day.

Beyond access to training, these tools have multiple benefits for SMCP and for all our employees:

- developing a sense of belonging to our Group and team spirit;
- establishing smooth communication and exchange with Management and employees and circulating information and internal surveys;
- contributing to equal opportunities.

To go further in developing performance, we also deliver in-person training. These courses can be dedicated to all our employees or to a specific business line.

The training effort was boosted considerably in 2023 compared to the previous year. This resulted in a 36% increase in the number of training hours provided.

Training	2022	2023
Total number of training hours	111,957	152,748
% of employees having attended at least one in-person/virtual classroom training	28%	30%
% of employees who have received at least one e-learning training session	77%	75%

In 2023, 76% of training hours were delivered via e-learning.

5.5.2.3 ENCOURAGING INTERNAL MOBILITY

Thanks to its brands, its different business lines and its international presence, our Group offers genuine career prospects to our employees. We strive to transform these into genuine opportunities with our Mobility Committee which meets regularly, and through our annual people review.

Since 2022, access to mobility has been made easier *via* a feature on our internal recruitment site. The aim is to make our recruitment offers more visible to our employees and to promote functional and geographical mobility. Each employee can now easily apply via our internal portal. Our HR teams can easily view any internal application and respond to them as a priority. Whenever possible, we prioritise the mobility and promotion of our employees, whether from one brand to another, one department to another or even from one country or continent to another.

Between 2022 and 2023, the share of available positions filled internally increased from 29% to 33%. Our objective is to maintain this rate above 30% over the next few years.

5.5.2.4 RECOGNISED THROUGH COMPENSATION

SMCP has taken care to develop an attractive and incentive-based compensation policy as a real strategic challenge and a performance driver.

To attract new talent and develop it within SMCP, it is competitive and fair compared to equivalent positions in our market. It is designed to be motivating by encouraging performance and professional fulfilment.

The Group's compensation policy is based on three key concepts:

The Group's compensation system provides each employee with a motivating and competitive compensation package, which includes compensation components (fixed salary, short-term and long-term variable compensation), and employee benefits.

Competitive compensation

SMCP ensures that each employee's compensation has been reviewed every year. The pay increase budgets allocated to the salary policy are negotiated with the social partners at various meetings devoted to mandatory annual negotiations. Individual raise requests are structured to guide managers in their proposals by taking into account the employee's situation in relation to their peers and/or the external market, their performance and their potential for development, while following our policy of non-discrimination (against background, gender, nationality, or any other personal criterion).

Performance-based compensation

To optimise the relationship between the compensation of employees and Group objectives, variable compensation is structured to reflect the contribution of each employee to the achievement of collective and individual objectives, defined in line with the Group's strategy. Objectives combine individual contribution and collective performance. Annual objectives relate to performance indicators for the sector in which the employee works, but also to the Group's performance indicator, which is EBIT. The variable component for sales team members is indexed against a collective target, such as revenue for the store. The vast majority of our workforce is eligible for variable compensation. This performance is assessed through an annual appraisal system for all our employees.

Since 2022, employees have been involved in the Company's performance through a collective incentive scheme linked to results with the aim of strengthening their sense of belonging and motivation.

All members of the management committees also receive free performance shares constituting long-term compensation. The number of shares awarded to each executive varies according to the level of responsibility. The number of shares delivered at the end of the vesting period is subject to a number of conditions. Firstly, to a condition of continued employment at the time of the acquisition, then to performance conditions linked to the achievement of internal financial targets, to the performance of SMCP shares compared to the companies in the Mid & Small CAC index, but also to whether or not CSR targets have been achieved.

Employee benefits within the Group

In addition to monetary compensation, SMCP has always attached great importance to the social protection offered to its employees in terms of health and provident schemes. For several years now, the Group has implemented competitive schemes in each country.

5.5.3 Ensuring the health and safety of all and promoting social dialogue

Safety

The table below presents changes in workplace safety in the 2022 and 2023 financial years (workplace accidents – France scope):

Safety at work	2022	2023
Number of fatal occupational accidents	0	0
Number of employees having taken sick leave (following an occupational accident or commuting accident)	76	92
Workplace accident frequency rate (Number of accidents per million hours worked)	26.7	26.5

Labour relations

Employee representation in France is organised at the level of the SMCP Economic and Social Unit (UES). A Works council ("Social and Economic Committee") has thus been set up at the level of the SMCP UES and is currently composed of 21 Sandro, Maje, Claudie Pierlot, SMCP Logistique and SMCP employees. The Works council meets once a month and is chaired by the SMCP Social Affairs Director. The diversity of this group allows for rich discussions, nurtures a 360° vision of the subjects discussed and develops the corporate culture.

To enable it to fulfil its missions, the Works council has also decided to set up several committees and working groups within it whose role is to carry out study and analysis work and to facilitate decision-making in plenary meetings. There is a committee dedicated to health, safety and working conditions, a committee for professional equality and diversity, an economic committee, a training committee and finally a housing assistance committee.

Elected officials also have the opportunity to meet their respective Human Resources department at ad hoc meetings, in addition to the Works council's meeting. This spontaneous practice makes it possible to maintain local exchanges and to deal with more operational subjects.

In addition, Fursac employees are represented by a specific Works council.

Overall, the Group considers that it has satisfactory working relations with its employees and their representatives, with, for example, numerous collective agreements or action plans negotiated since December 2012 with representative trade unions. In addition, the Works council's opinions are very often in favour of the projects presented by management on topics such as strategic orientations, working hours, quality of life at work, professional equality and diversity.

5.5.4 Committing to inclusion and diversity

Policy on diversity and inclusion

In 2023, the SMCP Group structured its diversity and inclusion strategy through commitments covering all its employees worldwide. This new strategy was based on the results of an audit conducted in 2022 by an independent external third party (Mixity) including a documentary analysis of our diversity and inclusion policies, and a survey conducted among our employees on their perception of how well the Group manages these issues.

The diversity and inclusion strategy is the result of collaborative work involving all the brands and regions in which the Group operates, and is based on four areas with objectives to be achieved by 2025 and 2030:

1. Gender equality

The objective is to maintain a representation of more than 50% women on the Company's management bodies. In addition, an analysis of the gender pay gap between women and men will be carried out by 2025 throughout the world, in order to identify any unexplained situations and, if necessary, to correct them.

2. Parenthood

The objective is to establish a parenting policy at SMCP level by 2025, with the minimum entitlement of all Group countries to the same rights granted to employees in France (same number of days of maternity leave, second parent, no seniority requirement, 100% compensation, etc.). In addition, new paid leave will be granted to our employees involved in adoption, fertility treatment or surrogacy.

3.. Disability

The objective is to increase the number of employees with disabilities six-fold by 2030, and to improve the accessibility of websites and stores. The disability policy will be structured around awareness-raising and training actions, recruitment from specialized structures, adaptation of roles to promote job retention, additional days of leave to attend medical appointments, and subcontracting to special adapted and protected work sectors.

4. Social and cultural diversity

The objectives include both internal and external actions. Internally, we want to develop integration programs in our teams for people excluded from employment or in a situation of social exclusion, such as the Retail Lab training. We also intend to give a greater focus to diversity in management positions, even though this is not measurable in all countries. Externally, we want each brand to form partnerships with organisations working to promote equal opportunities and social inclusion.

Representation of women within the Group

The Group employs a large proportion of women, who represent 82% of the workforce. 86% of them are on permanent contracts and 70% have a full-time contract.

Women are the majority in our stores, registered offices, and management bodies. In addition, of the 50 highest salaries in the Group, 62% are awarded to women. Men's and women's bonuses, increases and salaries are regularly monitored and compared to identify any discrepancies and implement corrective actions.

Proportion of women in 2023



Agreement on professional equality, quality of life at work and diversity

In June 2022, an agreement was signed for France with our social partners on professional equality, quality of life at work and diversity.

The Group is committed to concrete actions marking key moments in the lives of employees in France and beyond:

- firstly, during recruitment (initially in France), with recruitment campaigns without CVs to open up our opportunities to as many people as possible, and with training on bias-free recruitment techniques for recruiting employees;
- when managing careers (World scope):
 - implementation of training and awareness-raising actions on the challenges of diversity and anti-discrimination measures. On MyLearning, the "Recruiting without discrimination" module is mandatory for all managers and must be completed within the first three months of becoming a Group manager. At the end of 2022, a new "Diversity standard" module was launched, to raise awareness among all employees who want to find out more about these topics. Lastly, an awareness campaign on different disabilities was rolled out to all of our employees;
 - promotion of internal mobility worldwide with the implementation of special access to the Group's offers on the MyTalent platform, and a mobility committee;
 - deployment of HR development tools, providing guidance to aid objective decision-making (EAD, People Review, management model, etc.);

- key life events:

- in France, in order to offset the impact of maternity leave on compensation for all female employees, the SMCP group has removed the condition of one year of service to retain full maternity leave salary;
- inclusion also means introducing guarantees for future fathers: time off for antenatal appointments are paid by the employer, and fathers benefit from days off during the weeks following their return from paternity leave;
- the Group has committed to creating a “parenthood kit” for both women and men, to provide an information hub on parenting rights for both women and men, which will keep all employees updated of the various parenting initiatives in place within the Group. This includes the implementation of an adjusted working hours system upon return from parental and adoption leave (one day of leave per week for the first three weeks, then half a day of leave per week for the following three weeks).

SMCP Retail Lab

Following a hackathon initiated in November 2021 based on Retail challenges, in 2023 the Group launched the SMCP Retail Lab, a qualifying school training its students in the sales profession of tomorrow.

SMCP Retail Lab offers innovative and qualifying omnichannel sales advisor training. This will be rolled out for one year, as part of work-study programmes within our four brands. This is a three-pronged programme: firstly, it is based on a customisation of the omnichannel sales advisor training led by EMA SUP; secondly the Institut Français de la Mode will host several days on fashion culture and new CSR issues; and finally, SMCP will be responsible for acclimatising work-study students to the brands, their DNA and their operations throughout the year.

When recruiting its first cohort of students, SMCP chose to welcome candidates excluded from employment, with the only selection criteria being motivation and interest in fashion. An inclusive recruitment campaign was launched on social networks (Facebook, Instagram and TikTok) and on various channels such as Spotify, Indeed, LinkedIn, etc. No CVs or previous experience were required of candidates, who had to answer a series of questions on why they wanted to apply for this programme. The second Retail Lab promotion will be launched in March 2024.

5.5.5 Demonstrating ethics and solidarity

5.5.5.1 SUPPORT FROM ASSOCIATIONS AND COMMUNITY ACTION

For the fifth year in a row, our four brands have partnered with a high school from the Apprentis d'Auteuil network to enable young people experiencing major social difficulties to integrate into the fashion sector. We contributed to the opening of an educational store and participated in sales training to maximise their chances of success.

In the context of the events that successively affected Turkey, Syria and Morocco, several Group entities have taken action. Financial donations were made to Doctors Without Borders in particular.

In addition to these multi-brand initiatives, many actions were put in place in 2023 within each Business Unit to support social and environmental causes:

- **Sandro:**

- for World Environment Day, Sandro donated €10 to its solidarity fund for each customer making a purchase in Europe. The entire amount was then donated to the GoodPlanet Foundation;
- taking part in the Odyssea charity race to help the fight against cancer.

- **Maje:**

- Maje Alumni: sponsorship of a former Maje employee in her project to participate in the Mini Transat 2023 (solo crossing of the Atlantic);

- partnership with HKDI: the Maje teams in Hong Kong have partnered with the HKDI design school so that students from this school can create custom hats from unsold Maje inventories, and offer them to disadvantaged people struggling with cancer;
- taking part in the Odyssea charity race to help the fight against cancer;
- SEEPH: partnership with CEDRE, an adapted company, to host a Waste Fresco with Café Joyeux for a breakfast event;
- solidarity advent calendar: partnership with La Fabrique de la Solidarité for a collection of community boxes, partnership with Emmaüs & Ecosystem for donations of toys, partnership with 1 Lettre 1 Sourire to write a letter to an isolated elderly person.

- **Claudie Pierlot:**

- partnership with the Claude-Pompidou Foundation: collaborative creation of a window display for a brands store with disabled or elderly people who have lost their social connections;
- donations of clothing to charities Mécénat Chirurgie Cardiaque and La Cravate Solidaire;
- taking part in the Odyssea charity race to help the fight against cancer;
- taking part in the race of heroes, a fundraising race for a cause that is close to our employees' hearts;
- partnership with CEDRE to reduce waste at our registered office.

- **Fursac:**

- partnership with Force Femmes through the donation of clothes for interviews, a day of mentoring at the Fursac registered office with workshops led by our teams, and in-store initiatives (€9 donated to the association for every shirt or jacket sold);
- partnership with La Cravate Solidaire: collection of clothes and in-store initiatives (€5 donated per basket).

- **SMCP Asia:**

- partnership with Time auction, a charity that connects local NGOs with qualified volunteers who can help these organisations to realise specific projects. Through this collaboration, SMCP Asia encourages HK employees to volunteer their time to help local NGOs;
- partnership with HKACS (Hong Kong Anti-Cancer Society): organisation of a charity walk and a sale of cakes and sweets during Halloween to raise funds;
- partnership with TWHYC: the Hong Kong registered office has made a commitment to this association to employ people with disabilities as maintenance workers.

- **SMCP North America:**

- partnership with Soles4Souls: collection of shoes then valued in the form of a financial donation to provide action on several fronts, including helping people in need, fighting poverty, helping to protect the environment and helping women to be independent).

- **SMCP Global Services (Group registered office):**

- partnership with Règles Élémentaires to combat period poverty. Collection of menstrual products for International Women's Day.

Finally, some Group employees choose to join the operational military reserve. In accordance with the French Labour Code, they are legally authorised to be absent for 10 days per calendar year.

5.5.5.2 ETHICS AND ANTI-CORRUPTION

The ethical practices and anti-corruption rules defined in the Code of Ethics and the policy for the prevention of corruption and conflicts of interest are key values and a major concern for the Group. These policies form part of our commitment to the values of integrity, fair competition, prevention of conflicts of interest, respect for professional secrecy and the fight against all forms of discrimination that we defend as part of developing our activities. As a responsible Group, SMCP adopts a zero tolerance policy for any form of corruption or influence peddling both within the Group and through the actions of its contractors, business partners, suppliers or any other affiliated party or person.

In parallel with the deployment of the Code of Ethics, an Ethics Committee was set up composed of the General Counsel, the Director of Human Resources and CSR and the Director of Audit, Internal Control and Compliance, whose main missions are to:

- contribute to the definition of the Group's rules of conduct and ethical culture;
- ensure compliance with these rules and values through the deployment of the compliance programme;
- promote the principles of the Code of Ethics and encourage the development of best practices in this area;
- collect, analyse and process reports and alerts relating to behaviour/situations contrary to the Code of Ethics.

The Group's Code of Ethics and Ethics Committee are the foundations of the ethics policy. The Ethics Committee is responsible for collecting, reporting and processing report and alerts relating to the Code of Ethics. All reports are tracked in a dedicated register which formalises the risk analysis and the action plans undertaken. The whistleblowing process and Code of Ethics are available in several local languages.

In 2023, the Ethics Committee received four reports *via* the Group's whistleblowing system. These reports are dealt with anonymously and confidentially. All four reports related to bullying allegations, and resulted in an investigation under the responsibility of the Ethics Committee. As of the date of this universal registration document, three alerts have been closed and one is still under investigation. All parties involved in the processing of the reports were active and involved throughout the processing of the incidents, and the reporting parties were informed of the outcome of their report. Any observed breaches of the Code of Ethics led to appropriate corrective actions. In general, they led to areas for improvement in terms of communication or management.

Each year, a report on the implementation of the principles of the Code of Ethics and any remediation plans are submitted to the General Management and to the Group Audit Committee.

In addition, corruption risks were mapped under the supervision of the Ethics Committee. The corruption risks and influence peddling associated with these potential corruption situations were identified and prioritised in a risk map, the results and action plans of which were presented to the General Management and the Board of Directors' Audit Committee in July 2022.

The Group's Tax Department ensures that the laws in force in the countries in which the Group operates are complied with. The Group transmits the required information to tax administrations. It also facilitates the performance of their investigations. The Group performs tax audits and sets up any required action plans.

The Group does not fall within the scope of tax schemes such as DAC6. The Group is committed, in particular in the context of its transfer pricing policy (internal sales of products and interest rates on current accounts and intercompany loans), to complying with the principles of the OECD aimed at the harmonious distribution of profits in the various jurisdictions.

5.6 European Taxonomy

This section is prepared by the SMCP Group in accordance with Regulation (EU) 2020/852 of June 18, 2020 (known as the "Green Taxonomy" Regulation) and Delegated Regulations (EU) 2021/2139 and (EU) 2021/2178 aimed at promoting environmentally sustainable investment.

The aim of the Green Taxonomy is to identify economic activities that meet at least one of the following six environmental objectives:

- climate change mitigation;

- adaptation to climate change;
- sustainable use and protection of aquatic and marine resources;
- the transition to a circular economy;
- pollution prevention and reduction;
- protection and restoration of biodiversity and ecosystems.

Revenue

In 2023, the SMCP group's eligible turnover was €3.8 million. It corresponds to the sale of second-hand products operated by the Sandro and Maje brands in Europe, and to the rental of products operated by these same brands, directly or through partners, in Europe and the United States. These two activities contribute to the Taxonomy's circular economy objective.

In accordance with regulatory requirements, the alignment analysis was not performed for these activities. This will be conducted as part of the 2024 reporting exercise.

2023 financial year	2023		Substantial contribution criteria							Do No Significant Harm (DNSH) criteria							Share of turnover aligned with the taxonomy (A.1.) or eligible for the taxonomy (A.2.), 2022	Category (enabling activity)	Category (transitional activity)
Economic activities	Codes	Absolute turnover	Share of revenue	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees			
		€m	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	M	T
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with the taxonomy)																			
Turnover of environmentally sustainable activities (aligned with the taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	NA	NA	NA	NA	NA	NA	NA	0%		
Of which enabling																			
Of which transitional																			
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Sale of second-hand goods	CE 5.4	1.2	0.1%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									ND	
Product-as-a-Service and other circular usage-driven service models	CE 5.5	2.7	0.2%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									ND	
Turnover of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		3.8	0.3%	%	%	%	%	%	%								%		
A. Revenue from activities eligible for the taxonomy (A.1 + A.2)		3.8	0.3%	%	%	%	%	%	%										
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
Turnover from activities not eligible for the taxonomy (A.2)		1,226.7	99.7%																
TOTAL A + B		1,230.5	100%																

Capital expenditure

"Taxonomy eligible Capex" represents 95.8% of SMCP's "Total Taxonomy Capex". This mainly corresponds to new store leases and investments related to the renovation of buildings.

Investment category	Increase in gross value in 2023 (in €m)
Right-of-use assets on leases (IFRS 16) ^[1]	129
Property, plant and equipment (IAS 16) ^[2]	43.9
Intangible assets (IAS 38) ^[3]	7.7
"TOTAL TAXONOMY CAPEX" (DENOMINATOR)	180.6

(1) Note 6.3.1 to the consolidated financial statements "Right of use".

(2) Note 6.2 to the consolidated financial statements "Property, plant and equipment".

(3) Note 6.1.2 to the consolidated financial statements "Intangible assets".

Investments aligned with the Taxonomy correspond to:

- new leases or lease renewals in environmentally certified buildings (HQE, LEED) or with a high level of energy performance (energy label A);
- the installation of LED lighting and new energy-efficient air conditioning systems as part of store renovations or openings.

"Taxonomy aligned Capex" represents €10.2 million.

2023 financial year	2023			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria										
Economic activities	Code	CapEx	Share of CapEx in 2023	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Share of CapEx aligned with the taxonomy (A.1.) or eligible (A.2.) for the taxonomy, 2022	Category (enabling activity)	Category (transitional activity)	
		€m	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	M	T	
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																				
A.1 Environmentally sustainable activities (aligned with the taxonomy)																				
Installation, maintenance and repair of equipment promoting energy efficiency	CCM 7.3	0.50	0.3%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	21.6%	M		
Acquisition and ownership of buildings	CCM 7.7	9.7	5.4%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	57.7%			
CapEx of environmentally sustainable activities (aligned with the taxonomy) (A.1)		10.2	5.7%	100%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	79.3%			
Of which enabling		0.50	0.3%	100%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	90.9%	M		
Of which transitional																				
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL									21.6%		
Renovation of existing buildings	CCM 7.2	43.4	24%	EL	EL	N/EL	N/EL	N/EL	N/EL									57.7%		
Acquisition and ownership of buildings	CCM 7.7	119.3	66.1%	EL	EL	N/EL	N/EL	N/EL	N/EL									79.3%	NA	NA
CapEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		162.7	90.1%															90.9%	NA	NA
A. CapEx of activities eligible for the taxonomy (A.1 + A.2)		173.0	95.8%																	
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																				
CapEx of activities not eligible for the taxonomy (B)		7.7	4.2%																	
TOTAL A + B		180.6	100%																	

Operating expenses

In 2023, the "Total Taxonomy Opex" as defined by the related texts amounted to less than 10% of the Group's total operating expenses (cost of sales, personnel costs and other current operating expenses). In view of this limited amount and the nature of the expenses concerned, which do not represent the Group's core business, the work carried out concludes that this indicator is not material. The numerator is therefore considered to be zero. In accordance with the regulation, no analysis of Taxonomy eligible and aligned Opex was therefore carried out.

2023 financial year	2023			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Code	OpEx	Share of OpEx 2023	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Share of OpEx aligned with the taxonomy (A.1.) or eligible (A.2.) for the taxonomy, 2022	Category (enabling activity)	Category (transitional activity)
		€m	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	M	T
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with the taxonomy)																			
OpEx of environmentally sustainable activities (aligned with the taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	NA	NA	NA	NA	NA	NA	NA	0%	NA	NA
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																			
OpEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		0	0%													0%	NA	NA	
OpEx of activities eligible for the taxonomy (A1 + A2)		0	0%													0%	NA	NA	
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
OpEx of activities not eligible for the taxonomy (B)		NA	28.5	100%															
TOTAL A + B		NA	28.5	100%															

NUCLEAR ENERGY AND FOSSIL GAS ACTIVITIES

Row	Nuclear energy activities	
1	The Company carries out, finances or is exposed to research, development, demonstration and deployment of innovative facilities for the production of electricity from nuclear processes with a minimum of waste from the fuel cycle.	NO
2	The Company carries out, finances or is exposed to construction and safe operation of new nuclear facilities for the production of electricity or industrial heat, in particular for urban heating purposes or for the purposes of industrial processes such as production hydrogen, including their safety upgrades, using the best available technologies.	NO
3	The Company carries out, finances or is exposed to the safe operation of existing nuclear facilities for the production of electricity or industrial heat, in particular for urban heating purposes or for the purposes of industrial processes such as the production of hydrogen, from nuclear energy, including their safety upgrades.	NO
	Fossil gas activities	
4	The Company carries out, finances or is exposed to construction or operation of facilities for the production of electricity from gaseous fossil fuels.	NO
5	The Company carries out, finances or is exposed to construction, refurbishment and operation of combined heating/cooling facilities and electricity from gaseous fossil fuels.	NO
6	The Company carries out, finances or is exposed to construction, refurbishment or operation of heat production facilities that produce heat/cold from gaseous fossil fuels.	NO

5.7 Our methodology

This Statement of Non-Financial Performance (SNFP) includes social, societal and environmental indicators relating to defined scopes. The purpose of this document is to clearly and precisely specify to the reader the scope and calculation method for each indicator used.

5.7.1 Reporting period

The 2023 SNFP covers the period from January 1 to December 31, 2023.

5.7.2 Reporting scope

Indicators were collected, calculated and consolidated based on data available internally and extracted from IT tools. The data presented are aimed at covering all activities and all host countries of SMCP and its brands. When indicators do not cover the entire scope, the entities, categories or geographical areas excluded are specified in the summary table of indicators in paragraph 5.8.

Topics related to combating food waste, food insecurity and responsible, fair and sustainable food are not dealt with in this Statement of Non-Financial Performance as they are not material with respect to the Group's activity.

5.7.3 Reporting methodology

The report's content was based on indicators selected to reflect the main social, environmental and societal impacts of the Group's business activities.

This SNFP complies with the transcription of the European Directive on non-financial reporting which led to the publication of an order

and its application decree replacing so-called "Grenelle II" CSR reporting. The issues identified are based on the Global Reporting Initiative (GRI) guidelines under the GRI sector supplement "Textiles, Apparel, Footwear and Luxury Goods", the United Nations Global Compact and the OECD Guidelines.

5.7.4 Report verification

SMCP has entrusted the verification of the data presented in its SNFP report to the independent third party, Deloitte.

5.7.5 SMCP product pillar indicators

DATA ON SOURCING AND COLLECTIONS

The data is derived from the Group-level consolidation of information extracted from our IT tools in connection with production activities. The product and SKU indicators relate to the summer and winter 2023 seasons.

The indicator on the percentage of SKUs for which traceability information is available corresponds to the SKUs of the Sandro, Maje and Claudie Pierlot brands, and excludes Fursac.

5.7.6 SMCP Planet pillar indicators

ELECTRICITY

• Europe scope:

The electricity consumption of European shops and registered offices is based on the monthly consumption figures for 2023 provided by electricity suppliers in each country.

The electricity consumption of the warehouses was collected in a 2023 annual report sent by the electricity supplier.

The electricity consumption calculated using the information collected covers 84% of the sites' surface area in square metres.

The consumption of the remaining stores was estimated on the basis of surface area consumption ratios (kWh/m²) determined from the consumption of the stores for which actual data are available.

• North America scope:

The electricity consumption of stores and registered offices in North America is based on the monthly consumption figures for 2023 provided by electricity suppliers in each country.

The electricity consumption calculated using the information collected covers 57% of the sites' surface area in square metres.

The consumption of the remaining stores was estimated on the basis of surface area consumption ratios (kWh/m²) determined from the consumption of the stores for which actual data are available.

• Asia scope:

The electricity consumption of shops and registered offices in Asia is based on a kWh per RMB spent ratio based on monthly invoices. As the stores are in shopping centres, electricity consumption is included in the expenses of each store's landlord.

The electricity consumption calculated using the information collected covers 86% of the sites' surface area in square metres.

The consumption of the remaining stores was estimated on the basis of surface area consumption ratios (kWh/m²) determined from the consumption of the stores for which actual data are available.

RESULTS OF SOCIAL AUDITS

The data comes from the consolidation at Group level of information extracted from the audit reports by our external service provider, and from our IT tools in connection with production activities. They cover a worldwide scope and concern all of our brands.

• Comparison between 2022 and 2023:

In order to obtain a comparison on an identical scope between 2022 and 2023, only sites open during these two years and with actual data were taken into account.

The change in electricity consumption covers:

– 93% of the surface area of stores, registered offices and warehouses in Europe;

– 42% of the surface area of stores and registered offices in Asia;

– 83% of the surface area of stores and registered offices in North America.

GREENHOUSE GAS (GHG) EMISSIONS

In this document, for the sake of simplicity, the term CO₂ refers to all greenhouse gases referred to as CO₂eq.

All the GHG data presented in the 2023 SNFP for the year 2022 are taken from the carbon footprint report that the Group produced in partnership with an office specialising in this type of exercise. The carbon footprint was finalised in 2023 and relates to consolidated data from 2022.

The GHG emissions data presented in the SNFP for 2023 relate to the electricity consumption of the Group's sites, the petrol consumption of company cars, business travel and the transport flows managed by the Group.

Emissions related to electricity consumption

Electricity consumption in kWh in each country was multiplied by emission factors in gCO₂/kWh from the IEA and the IPCC.

For shops with a green electricity contract, an emission factor of 0 kgCO₂eq/kWh on scope 2 and the same emission factor as for leasing based on electricity scope 3 was applied.

Emissions related to product transport flows

Transport activity data in metric tons.km have been multiplied by emission factors in kgCO₂e/t.km, from the ADEME database transport WG, specific to each mode of transport (road, air, sea and rail):

Mode of transport	Emission factor unit	Emission factor
Sea	kgCO ₂ e/t.km	0.00847
Air	kgCO ₂ e/t.km	1.07995
Road	kgCO ₂ e/t.km	0.0823
Railway	kgCO ₂ e/t.km	0.0226

TRANSPORT

The data comes from the consolidation at Group level of information extracted from our IT tools and from the invoicing of our carriers in connection with our supply chain activities in the three regions in which the Group operates (Europe, North America and Asia), and based on upstream and downstream logistics flows.

The upstream logistics flow takes into account the transportation of goods from our tier-one suppliers to our warehouses according to the three delivery zones, Europe, Asia and North America, and transfers between warehouses.

The downstream logistics flow includes transport in each area from the warehouse to the point of sale in the case of a store delivery, or from the warehouse directly to the end customer in the case of an e-commerce sale.

5.7.7 SMCPeople pillar indicators

Employees

The data are based on the Group-level consolidation of information extracted from our HRIS IT tools and concern a World scope. They exclude data relating to temporary employees with the exception of payroll, which includes temporary employees and occupational accidents, which relate exclusively to France, excluding Fursac.

Employees in Australia and New Zealand, which joined the Group in 2023, are excluded from the reporting scope.

Training

The data are based on the Group-level consolidation of information extracted from our HRIS IT tools and concern a World scope.

Turnover

The data are based on the Group-level consolidation of information extracted from our HRIS IT tools, concern a World scope and exclusively on permanent contracts as the Group considers that to have a reliable interpretation of the recruitment, departures and layoff trends, these indicators must be studied on the population benefiting from permanent contracts, namely the Company's permanent population who, under optimal conditions, are unlikely to leave the Group. The recognition of permanent contracts alone also provides a fairer view of net jobs created by the Group.

For the Internal mobility indicator, the scope excludes the mobility carried out for the positions of Deputy Store Managers, Lead Sellers and Sales Assistants.

Workplace and commuting accidents

The "number of workplace accidents" indicator covers only workplace and commuting accidents that resulted in lost days, and not the total number of workplace and commuting accidents. It only covers the France scope.

Gender pay gap

The data are based on the Group-level consolidation of information extracted from our HRIS IT tools.

The data on the gender pay gap covers a European scope. It also excludes all fixed-term contracts, interns, apprentices and temporary workers of all brands.

The indicator on the difference in compensation between women and men covers a World scope. Fixed-term contracts, interns, apprentices and temporary workers are excluded.

The indicator on the proportion of women among the top ten earners and the top 50 earners covers a world scope, and does not exclude certain groups.

The indicators relating to bonuses received cover a world scope. They also exclude interns, apprentices and temporary workers for all brands combined.

Lastly, the indicators relating to the distribution of full-time and part-time employees are calculated on a world scope and exclude temporary workers.

5.8 Summary table of indicators

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
SMCProduct							
More responsible collections	RTW and accessory SKUs with lower environmental impact in all our collections	%	46	52	Percentage of RTW and accessory SKUs meeting the Group's definition of a product with lower environmental impact (see definition in Section 5.3.2)	-	World
	Volumes produced of RTW and accessory products with lower environmental impact in all our collections	%	51	60	Percentage of RTW and accessory product volumes meeting the Group's definition of a product with lower environmental impact (see definition in Section 5.3.2)	-	World
Social compliance of suppliers	Number of suppliers with current social audit	No.	123	217	Number of suppliers with a valid audit as of December 3. Audits can either be carried out by the Group or carried out according to one of the audit standards recognised by the Group (BSCI, SEDEX, WRAP, WCA, SA 8000)	-	World
	Audits conducted by the Group	No.	34	52	Number of social and environmental audits conducted by the Group on suppliers (initial and follow-up) for the reference year	-	World
	Cases of social non-compliance observed	No.	5	6	Average number of non-compliance events observed per social audit by the Group	-	World
		%	44	33	Percentage of minor non-compliance events of all social non-compliance events observed during audits conducted by the Group	-	World
	Social audits – Breakdown of anomalies by type of severity	%	47	56	Percentage of average non-compliance events of all social non-compliance events observed during audits conducted by the Group	-	World
		%	9	11	Percentage of major non-compliance events of all social non-compliance events observed during audits conducted by the Group	-	World
Traceability	SKUs whose traceability exceeds the regulatory framework	%	12	50	Percentage of SKUs for which public information on traceability is available and whose level of traceability exceeds the requirements of the AGEC Law (minimum information on the preparation, weaving, dyeing and spinning stages)	Fursac	World

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
SMCPlanet							
Energy	Electricity consumption	kWh	19,736,633	20,403,458	Total electricity consumption measured (from supplier invoices/reports) + estimated electricity consumption based on kWh/m ² ratios by region	Affiliates, concessions, wholesale	World
	Electricity consumption on a like-for-like scope vs. N-1	kWh	16,420,416	15,839,926	Change in the electricity consumption of sites open throughout years N and N-1	Affiliates, concessions, wholesale	World
Energy	Total gas consumption	kWh	498,620	379,442	Total gas consumption measured (from supplier invoices/reports)	Affiliates, concessions, wholesale	World
	Gas consumption on a like-for-like scope vs. N-1	kWh	498,620	359,122	Change in the gas consumption of sites open throughout years N and N-1	Affiliates, concessions, wholesale	World
	Energy consumption on a like-for-like scope vs. N-1	kWh	16,919,036	16,199,048	Change in energy consumption (electricity + gas) of sites open throughout years N and N-1	Affiliates, concessions, wholesale	World
	GHG emissions generated by electricity consumption measured	tCO ₂ eq	5,201	5,452	Scope 2 emissions Electricity consumption in each country multiplied by the CO ₂ emission factor of each country's electricity mix. For sites covered by a green electricity contract, an emission factor of 0 is applied	Affiliates, concessions, wholesale	World
	GHG emissions generated by gas consumption measured	tCO ₂ eq	90	69	Scope 1 emissions Gas consumption multiplied by the CO ₂ emission factor for gas (see Our methodology)	Affiliates, concessions, wholesale	World
	GHG emissions generated by electricity consumption on a like-for-like scope vs. N-1	tCO ₂ eq	3,610	3,342	Change in GHG emissions related to the electricity consumption of sites open throughout the current and prev. year	Affiliates, concessions, wholesale	World
	GHG emissions generated by gas consumption on a like-for-like scope vs. N-1	tCO ₂ eq	90	65	Change in GHG emissions related to the gas consumption of sites open throughout years N and N-1	Affiliates, concessions, wholesale	World
	GHG emissions generated by electricity consumption on a like-for-like scope vs. N-1	tCO ₂ eq	3,700	3,407	Change in GHG emissions related to the energy consumption of sites open throughout the current and prev. year	Affiliates, concessions, wholesale	World
	Green electricity contract coverage	%	32	57	Percentage of points of sale with an electricity contract with a Guarantee of Origin (or guarantee of renewable origin) certifying that the electricity was produced from a renewable energy source and injected into the electrical network	Affiliates, concessions, wholesale	World

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
Transport	Quantity of products and distances transported by sea	tonnes. km	22,701,602	31,486,001	Freight transport by sea paid for by the Group. Transport flows include upstream and downstream freight	-	World
	Quantity of products and distances transported by air	tonnes. km	19,008,885	15,836,580	Freight transport by air paid for by the Group. Transport flows include upstream and downstream freight	-	World
Transport	Quantity of products and distances transported by road	tonnes. km	8,997,611	13,063,371	Freight transport by road paid for by the Group. Transport flows include upstream and downstream freight	-	World
	GHG emissions generated by the Group's transportation of goods	tCO ₂ eq	22,047	18,445	GHG emissions generated by the Group's freight (upstream and downstream freight)	-	World
	GHG emissions generated by business travel by rail	tCO ₂ eq	9	39	GHG emissions calculated according to the number of kilometres travelled by rail by employees (2022 and 2023 data is not comparable due to the addition of Asia travel in 2023)	Business travel for the North America BU	World
	GHG emissions generated by teams' business travel by air	tCO ₂ eq	282	1,752	GHG emissions calculated according to the number of kilometres travelled by air by employees (2022 and 2023 data is not comparable due to the addition of Asia travel in 2023)	Business travel for the North America BU	World
	SMCPeople						
Employees	Female members of the Executive Committee	No.	8	8	Number of women on the Executive Committee	-	World
	Male members of the Executive Committee	No.	5	5	Number of men on the Executive Committee	-	World
	Female members of the Board of Directors	No.	5	6	Number of women on the Board of Directors	-	World
	Male members of the Board of Directors	No.	4	5	Number of men on the Board of Directors	-	World
	Total employees	No.	6,525	6,660	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Total women	No.	5,288	5,442	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Total men	No.	1,237	1,218	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Female managers	No.	1,403	1,151	Workforce as of 12/31	Temporary staff, AU + NZ	WorldE
	Male managers	No.	417	326	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Non-executive women	No.	3,885	4,291	Workforce as of 12/31	Temporary staff, AU + NZ	World

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
Employees	Non-executive men	No.	820	892	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees working in head offices	No.	966	1,020	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees working in warehouses	No.	149	146	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees working in the network	No.	5,410	5,494	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of SMCP SA employees	No.	27	26	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of SMCP GROUP SAS employees	No.	170	189	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of SMCP LOGISTIQUE SAS employees	No.	149	146	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of SANDRO ANDY SAS employees	No.	880	871	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of MAJE SAS employees	No.	654	660	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of CLAUDIE PIERLOT SAS employees	No.	451	488	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees of SMCP ASIA Ltd. and its subsidiaries	No.	1,580	1,599	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of SMCP USA Inc. & SMCP CANADA Inc. employees	No.	659	655	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of FURSAC SA employees	No.	247	265	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees of Other subsidiaries	No.	1,708	1,761	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees aged under 30	No.	2,806	2,820	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees aged 30 to 50	No.	3,393	3,495	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees aged over 50	No.	326	345	Workforce as of 12/31	Temporary staff, AU + NZ	World

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
Employees	Number of employees based in France	No.	2,578	2,645	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees based in Europe	No.	1,708	1,761	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees based in Asia	No.	1,580	1,599	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees based in North America	No.	659	655	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees on permanent contracts	No.	5,612	5,767	Workforce as of 12/31	Temporary staff, AU + NZ	World
	Number of employees on fixed-term contracts, apprenticeships or internships	No.	913	893	Workforce as of 12/31	Temporary staff, AU + NZ	World
Working hours	Percentage of employees on a full-time contract	%	72	72	Percentage of employees on a full-time contract at 12/31	Temporary staff, AU + NZ	World
	Percentage of employees on a part-time contract	%	28	28	Percentage of employees on a part-time contract at 12/31	Temporary staff, AU + NZ	World
	Rate of absenteeism	%	10	9	Number of hours of absence (excluding paid leave and rest) in relation to the planned number of hours worked	Temporary staff	France
	Overtime	No.	477	544	Hours worked beyond the legal weekly maximum for full-time employees	Temporary staff	France
	Overtime and supplementary working	No.	27,717	27,127	Hours worked beyond the legal weekly maximum for part-time employees	Temporary staff	France
Internal mobility	Percentage of positions filled internally	%	29	33	Percentage of open positions filled by a person already working within SMCP	Fixed-term contracts, interns, apprentices, temporary workers, all positions below "store manager", AU + NZ	World

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
Turnover	New hires	No.	3,225	3,084	Number of new hires during the year	Fixed-term contracts, interns, apprentices, temporary staff, AU + NZ	World
	Departures	No.	3,335	3,225	Number of departures, for any reason, during the year	Fixed-term contracts, interns, apprentices, temporary staff, AU + NZ	World
	Layoffs	No.	341	191	Number of departures due exclusively to layoff by the employer	Fixed-term contracts, interns, apprentices, temporary staff, AU + NZ	World
	Turnover rate on permanent contracts	%	60	56	Turnover rate of employees on permanent contracts	Fixed-term contracts, interns, apprentices, temporary staff, AU + NZ	World
	Voluntary departures – permanent employees	%	46	45	Departure rate of permanent employees taking into account only departures at the initiative of the employee	Fixed-term contracts, interns, apprentices, temporary staff, AU + NZ	World
Training	Recruitment rate for permanent contracts	%	58	54	Number of permanent contract hires compared to the average headcount	Fixed-term contracts, interns, apprentices, temporary staff, AU + NZ	World
	Number of hours of training given in the presence of a trainer (face-to-face and/or remotely)	No.	29,360	36,140	Number of hours of training given in the presence of a trainer in face-to-face and/or virtual classroom mode	AU + NZ	World
	Number of training hours delivered via e-learning	No.	82,597	116,608	Time spent on e-learning training content (content + activities)	AU + NZ	World
	Employees who have received at least one training session face-to-face and/or remotely	%	28	30	Percentage of employees having received at least one training session in the presence of a trainer (face-to-face and/or remotely)	AU + NZ	World
	Employees who have received at least one e-learning training session	%	77	75	% of employees present during the year having completed at least one e-learning module	AU + NZ	World

Indicator	Sub-indicator	Unit	Data for 2022	Data for 2023	Definition	Data excluded	Scope
Gender pay gap	Increase in wages for women and men	%	0.1 in favour of women	-0.3 in favour of men	Difference in the rate of increase of wages between women and men	Fixed-term contracts, interns, apprentices, temporary staff	Europe
	Compensation of women and men	%	-5 in favour of men	-5 in favour of men	Difference in compensation between women and men	Fixed-term contracts, part-time contracts, interns, apprentices, temporary staff, AU + NZ	World
	Women who received a bonus	%	72	75	Percentage of women who received at least one bonus (annual, half-yearly, monthly)	Interns, apprentices, temporary staff, AU + NZ	World
	Men who received a bonus	%	78	71	Percentage of men who received at least one bonus (annual, half-yearly, monthly)	Interns, apprentices, temporary staff, AU + NZ	World
	% of women among the 50 highest salaries	%	68	62	% of women among the 50 highest paid members of the Group, including corporate officers	-	World
	Women with a full-time contract	%	70	70	Percentage of women with a full-time contract	Temporary staff, AU + NZ	World
	Men with a full-time contract	%	80	81	Percentage of men with a full-time contract	Temporary staff, AU + NZ	World
	Women with a part-time contract	%	30	30	Percentage of women with a part-time contract	Temporary staff, AU + NZ	World
Compensation	Men with a part-time contract	%	20	19	Percentage of men with a part-time contract	Temporary staff, AU + NZ	World
	Payroll	€m	259.9	278.5	Sum of all gross salaries and employer social security expenses, as well as employee profit-sharing and incentive plans	AU + NZ	World
	Fatal workplace accidents	No.	0	0	Number of fatal workplace accidents in the workplace or while commuting	Fursac	France
Workplace accidents	Workplace accidents	No.	76	92	Number of employees with lost days due to a workplace or commuting accident	Fursac	France
	Frequency rate of workplace accidents	%	26.7	26.5	(Number of workplace accidents/ hours worked) x 1,000,000	Fursac	France

5.9 Cross-reference table UN Sustainable Development Goals

5.10 Independent third-party report

Report by one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated Statement of Non-Financial performance

Financial year ended December 31, 2023

To the General Meeting,

In our capacity as Statutory Auditors of your Company, SMCP (hereinafter "entity"), appointed as independent third party ("third party"), accredited by COFRAC (Cofrac Validation/Verification Accreditation) under number 3-1886, scope available at www.cofrac.fr, we carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on historical information (recorded or extrapolated) from the consolidated Statement of Non-Financial Performance, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended December 31, 2023 (hereinafter the "Disclosures" and the "Statement" respectively), presented in the Group's management report in accordance with the legal and regulatory provisions of Articles L.225102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

CONCLUSION

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and the information we collected, we detected no material misstatement likely to call into question the fact that the Statement is compliant with the applicable regulatory provisions and that the Disclosures, taken as a whole, are presented fairly, in accordance with the Guidelines.

PREPARATION OF THE STATEMENT

The absence of a generally accepted and commonly used reference framework or established practices on which to evaluate and measure the Disclosures allows the use of different but acceptable measurement techniques that may affect comparability between entities and over time.

Consequently, the Information must be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement and available on the website or on request at the entity's head office.

LIMITATIONS INHERENT IN THE PREPARATION OF INFORMATION

The Disclosures may be subject to inherent uncertainty in the state of scientific or economic knowledge and the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions or estimates used to prepare it and presented in the Statement.

RESPONSIBILITY OF THE ENTITY

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Disclosures;
- preparing a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- preparing the Statement in accordance with the entity's standards as mentioned above;
- as well as implementing the internal control that it deems necessary to prepare Disclosures that are free from material misstatements, whether due to fraud or error.

The Statement was prepared by the Board of Directors.

RESPONSIBILITY OF THE STATUTORY AUDITOR APPOINTED AS AN INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to present a reasoned opinion expressing a moderate assurance conclusion on:

- the compliance of the Statement with the provisions set out in Article R. 225-105 of the French Commercial Code;
- the true and fair nature of the disclosures pursuant to Article R.225105 of the French Commercial Code, Sections I and II, subparagraph 3, on the results of the policies, including the key performance indicators, and actions relating to main risks, hereafter the "Disclosures".

As we are responsible for making an independent conclusion on the Disclosures as prepared by management, we are not authorised to be involved in the preparation of such Disclosures as this could compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular with regard to Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (green taxonomy), and the fight against corruption and tax evasion;
- the fairness of the Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with applicable regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL DOCTRINE

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, our audit programme consisting of our own procedures, the professional doctrine of the Compagnie nationale des commissaires aux comptes relating to this work, in particular the technical opinion of the Compagnie nationale des commissaires aux comptes, *Intervention of the Statutory Auditors - Intervention of the ITP - Statement of Non-Financial Performance*, in lieu of the verification programme and the ISAE 3000 international standard (revised)⁽¹⁾.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions set out in Article L.821-28 of the French Commercial Code and the Code of Ethics of the statutory auditor profession. In addition, we have implemented a system of quality control including documented policies and procedures to ensure compliance with applicable laws and regulations, ethical rules and the professional doctrine of the French National Association of Statutory Auditors for this intervention.

MEANS AND RESOURCES

Our work mobilised the skills of four people and took place between February and March 2024 over a total intervention period of six weeks. We were assisted in our work by our specialists in sustainability and corporate social responsibility. We conducted around ten interviews with the people responsible for preparing the Statement, representing in particular CSR Reporting, the Human Resources, Environment and Sustainable Development departments.

NATURE AND SCOPE OF OUR WORK

We planned and carried out our work taking into account the risk of material misstatement of the Disclosures.

We believe that the procedures we have conducted, exercising our professional judgement, enable us to formulate a conclusion of moderate assurance:

- We obtained an understanding of the activity of all the companies included in the scope of the consolidation, and of the presentation of the main risks.
- We assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate.
- We verified that the Statement covers each category of information specified in Article L.225102-1 of the French Commercial Code on social and environmental reporting as well as on compliance with human rights and the fight against corruption and tax evasion and includes, where appropriate, an explanation of the reasons justifying the lack of information required by Article L. 225-102-1, Section III, paragraph 2 of the French Commercial Code.
- We verified that the Statement presents the information required under II of Article R. 225-105 of the French Commercial Code when it is relevant with regard to the main risks.
- We verified that the Statement presents the business model and the main risks linked to the activity of all the entities included in the scope of consolidation, including, when relevant and proportionate, the risks created by its business relations, its products or services as well as the policies, actions and results, including key performance indicators relating to the main risks.

(1) ISAE 3000 (revised) - Assurance engagements other than audits and limited reviews of historical financial information.

- We referred to documentary sources and conducted interviews to:
 - assess the selection process and the validation of the main risks as well as the consistency of the results including the key performance indicators adopted with respect to the main risks and policies presented; and
 - corroborate the qualitative information (actions and results) that we considered to be the most important. Actions to develop the traceability of our supply chains; Actions to promote the circular economy; Actions to offer products with a lower environmental impact; Commitment actions for inclusion and diversity.
- We checked that the Statement covers the scope of consolidation, namely all the companies included in the scope of consolidation in accordance with Article L.233-16 with the limits specified in the Statement.
- We reviewed the internal control and risk management procedures set up by the entity and assessed the collection process set up by the entity aimed at ensuring the completeness and fairness of the Disclosures;
- For the key performance indicators and the other quantitative results that we considered the most important⁽¹⁾, we implemented:
 - analytical procedures consisting of checking that the collected data had been consolidated correctly and the consistency of the changes in this data;
 - detailed tests on the basis of sampling or other means of selection, consisting of verifying the correct application of definitions and procedures and reconciling the data with the supporting documents. This work was carried out on a selection of contributing entities and covered between 1% and 85% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement in relation to our knowledge of all the entities included in the scope of consolidation.

The procedures implemented in the context of a moderate assurance are less extensive than those required for a reasonable assurance carried out in accordance with the professional doctrine of the French National Association of Statutory Auditors; a higher level of assurance would have required more extensive verification work.

Paris-La Défense, April 5, 2024

One of the Statutory Auditors

Deloitte & Associés

Bénédicte Sabadie
Partner, Audit

(1) Total employees - Turnover rate on permanent contracts - Number of hours of training provided in the presence of a trainer (face-to-face and/or virtual classroom) - Percentage of employees having taken at least one e-learning training course - Difference in compensation between women and men - % of women among the 50 highest salaries - Fatal workplace accidents - Total electricity consumption (measured + estimated) - Like-for-like electricity consumption vs. prev. yr - Share of points of sale with an electricity contract with a renewable source guarantee - Total GHG emissions generated by electricity consumption - GHG emissions generated by electricity consumption on a like-for-like basis vs. prev. yr - Total GHG emissions generated by gas consumption - Quantity of products and distances travelled by road transport - Quantity of products and distances travelled by maritime transport - Quantity of products and distances travelled by air transport - GHG emissions generated by the Group's freight transport - Product volumes of RTW and accessories with lower environmental impact in all our collections - Audits conducted by the Group - Percentage of major non-compliance all social non-compliance observed during audits conducted by the Group - Social non-compliance observed - Percentage of references for which public information on traceability is available and for which the level of traceability exceeds the requirements of the AGEC Law.

