STERNE
PREMIUM LOGISTICS SERVICES

Sustainability Report

STERNE GROUP

EDITION II - 2024

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AN ENCOUNTER

WITH LAURENT DE ROSNAY

LAURENT DE ROSNAY
STERNE GROUP CHAIRMAN AND CEO

How would you sum up 2023?

The high inflation, rising interest rates and macro-economic uncertainty which could have put the brakes on our ambitions, have instead strengthened our CSR commitments.

Now more than ever, we believe it's essential to strengthen the differentiating aspects, because for roughly the same cost we create added value which our customers are increasingly interested in. For customers, it's important to turn to a company that sees CSR as part and parcel of the services it provides rather than a regulatory constraint.

We're precise in our execution and recognised for our reliability: our respect for people and the environment helps reassure our customers.

> *For roughly the same cost, we create added value for our customers.*

> *We see ourselves as a service provider rather than a transport company.*

Last October you joined the Mission-driven company non-profit community...

Yes, as a Mission-driven company, we're more than ever committed to our CSR approach, without any change in course. It incites us to formalise our commitments and have them audited, to make our responsible company DNA even more visible. Our mission committee has been joined by several experts. They are there to help us better understand what we can do differently, and what the market is prepared to give value to.

How would you define your role in society, especially for industrial sectors?

In the high added value urgent transport sector, we're a company that's aware of its environmental and human footprint. But beyond our direct impact, by making spare parts logistics more efficient, we stimulate the whole repair economy. Keeping equipment such as cars, tractors, household appliances and construction machinery in service helps enhance the excellent position of the Western economies. Our solutions make the circular economy increasingly viable. They also make it possible to save resources, because quick, reliable deliveries mean less storage space and less risk of obsolescent parts in stock. We're part of our customers' scope 3, and working on our carbon footprint means contributing to decarbonising our customers. Ultimately, that also trickles down to our customers' financial balances.

STERNE Group also has a strong presence in the tertiary sector. What's your approach?

All businesses are in transition, including banking. They realise that lots of operations, such as ATM maintenance, can be pooled. Methods of payment are changing, and we're moving towards more services, storage, facility management, document scanning, etc. Our drivers are true service providers; they're not paid per parcel, but for the hours they work: we'll carry on expanding our range of services based on that.

What's your outlook?

With the integration of **STERNE nox**, we consolidated our European presence and can now cater to a larger number of customers with the same high standards, because our businesses are similar. We'll be able to set up new storage platforms for major European accounts in the heart of a densely populated zone on the borders between France, Germany and Benelux.

We've always had a proactive approach to technology watch. We just invested in a new route optimisation tool that will greatly improve our employees' quality of life and the ability to pool services.

2024 will be a time for consolidation. We'll be implementing our commitments, delivering them, and working hard on all the projects we initiated. If inflation is here to stay, our customers need to get value for money!

OUR IDENTITY

STERNE, A MULTI-MARKET PRESENCE

Our business lines

FRENCH PREMIUM LOGISTICS LEADER

- Late hours collection and night delivery before 8am, 7am or to specifications
- Daytime delivery before 1 p.m. and before 6 p.m. for B2B and B2C customers
- Urban delivery and distribution
- Transport of sensitive products (valuables, luxury goods, health sector)

URGENT, DEDICATED, ON-DEMAND INTERNATIONAL TRANSPORT SPECIALIST

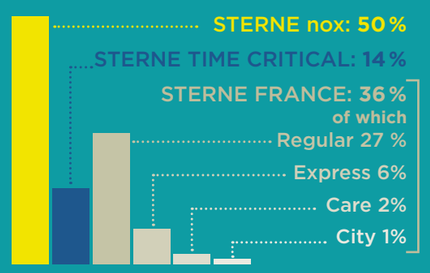
- 24/7 urgent transport solutions by road, air, sea & air, rail
- White glove services for sensitive items
- "Project" services for non-standard consignments

PREMIUM LOGISTICS LEADER IN GERMANY, AUSTRIA AND BENELUX

- Late hour collection and night delivery before 8 a.m., 6 a.m
- Daytime delivery before noon
- Weekend service specific to the agricultural sector with 24/7 deliveries

Our site locations

Breakdown of turnover by activity



Our areas of expertise

SERVICE SECTOR

- Banks
- Insurance companies / private health insurance
- Civil service
- Professionals
- Non-profits / NGOs

HEALTH SECTOR

- Dental technicians
- Med-tech
- Diagnosis and analysis
- Pharmaceutical industry
- Healthcare facilities
- Pharmacies
- Animal health

MAINTENANCE SECTOR

- Automotive and mobility
- Agriculture
- Household appliances and food equipment
- BTS and Handling
- Building maintenance
- Industrial maintenance

DISTRIBUTION SECTOR

- Optical
- Photo
- Bakery and foods
- Media
- Retail

LUXURY SECTOR

- Watches and jewellery[1]
- Precious metals
- Fashion and *haute couture*
- Cosmetics, Perfumery
- Art, Decoration, Design
- Gastronomy

INDUSTRIAL SECTOR

- Automotive
- Aerospace
- High-tech
- Industrial equipment
- Defence
- Energy
- Transport and logistics

PREMIUM LOW-CARBON LOGISTICS LEADER

Key figures[2]

555 million euros 2023 Turnover

2,017 employees

over 8,000 customers

85 agencies in Europe and around the world, including 49 in France

8,300 transport partners

57,000 m² of logistics platforms in France

Countries: Austria, Belgium, China, France, Germany, Netherlands, Luxembourg, Morocco, Poland, Romania.

210 countries covered with our partners

170,000 recipient customers
3,500 trips per day
75% of deliveries at night or at non-standard times
94.2% of the company's fleet equipped with Euro 5 and 6 vehicles
3,743 tonnes eqCO_2 saved in 2023 thanks to the use of reusable containers

About this report

For this second edition of its Sustainability Report, **STERNE Group** is voluntarily reporting on its environmental, societal and governance issues. It sets out its impact on society and how it directs its activities to offer sustainable transport and logistics solutions.

The extra-financial information in this report has been verified by Rouxel-Tanguy & Associés under its trading name ACTHEOS Rouxel-Tanguy & Associés, an independent third-party body accredited by COFRAC Inspection no. 3-1908 available at www.cofrac.fr. It therefore complies with the requirements of the Declaration of extra-financial performance (DPEF).

In order to comply with the regulatory framework of the CSRD and the European Sustainability Reporting Standards (ESRS) as from 2025, the Group incorporates the regulatory requirements known to date as far as is possible. References to the ESRS standards in the sections of the report are in square brackets. This work will continue to be enhanced in future editions.

At the end of 2022, the Group doubled in size with the acquisition of the German nox NachtExpress Group, which became the **STERNE nox** subsidiary. The perimeter of the 2023 reporting includes all activities consolidated in the financial perimeter on 31 December 2023 except for activities in Austria, Belgium and the Netherlands. Companies not selected for this campaign are the subjects of specific integration processes that were not complete on 31 December 2023. The perimeter of the 2023 reporting therefore covers 88.1% of consolidated turnover at the end of 2023 and 92.1% of the workforce at the end of the period.

Our mission

STERNE Group designs innovating and flexible logistics solutions with four objectives in mind:

- **Optimising its customers' *supply chain***
- **Contributing to the ecological transition**
- **Promoting the best possible quality of life at work**
- **Acting ethically and transparently**

Our values

Service: STERNE's goal is operational excellence. STERNE's employees, partners and subcontractors undertake to deliver quality service that delivers customer satisfaction.

Speed: STERNE's goal is to offer its customers as many urgent delivery options as possible, and to provide logistics solutions tailored to the critical nature of every situation.

Reliability: coordinating and supervising significant flows without interruption or failure and delivering scheduled and unscheduled D or D+1 on time.

Innovation: innovation is at the heart of **STERNE Group**'s growth strategy.

STERNE uses new technologies to better serve its customers, guaranteeing them total transparency and the best customer experience.

1 - "Horlogerie Bijouterie Joaillerie Orfèvrerie" in French
2 - Data on 31 December 2023

STERNE GROUP

General information - ESRS 2

1.1 HISTORY AND GROWTH

With 52 years' experience, **STERNE Group** has built a comprehensive, integrated and multimodal offering.

STERNE Group was built around TCS, a company founded in 1972 in the Aquitaine region and France's leading provider of tailored regular transport services. From 2017, following its acquisition by Meeschaert Capital Partners, the Group has had a growth and global offering strategy based on the acquisition of companies recognised for their expertise in their respective markets. Thus, with the purchase of ATS Group and NOVEA in 2018, the Group expanded internationally and rolled out its first urban services. Its international presence was strengthened by the acquisition of Transport Manager in 2021, which gave it access to 160 countries with the help of local express operators.

STERNE Group has been pursuing its growth since November 2021 thanks to the support of its majority shareholder Tikehau Capital, which has included it in its T2 Energy Transition Fund dedicated to decarbonisation, and the implementation of a Sustainability linked loan incorporating two Sustainable Development indicators: greenhouse gas emissions and the percentage of Business Units with Gold level Ecovadis certification.

The acquisition in April 2022 of the nox NachtExpress group, No. 1 in night delivery in Germany, Benelux and Austria, allowed the Group to double in size again. It became the European Premium logistics leader, particularly in the after-sales market.

In 2023, the Group adopted the Mission-driven company status with a view to strengthening its sustainable development approach.

3 - Source: International Energy Agency. CO_2 Emissions from Fuel Combustion.
4 - Source: Union of Transport and Logistics Companies

1.2 THE TRANSPORT AND LOGISTICS SECTOR

The logistics sector is at the heart of our trade-based economy. The European market was estimated at $986 billion in 2023, and is evolving in line with consumer habits and the trend towards outsourcing by large companies. Germany and France are the largest countries in this European market, with contrasting trends across sectors and an overall slowdown after 3 years of sustained growth

The sector offers attractive jobs and career opportunities both with and without qualifications. In France, 50% of management positions are filled through internal promotion, with most companies having proactive policies. The sector has recruitment difficulties and is working to make its professions more attractive.

According to International Energy Agency statistics, freight transport accounts for 8% of global greenhouse gas emissions, and even 11% if warehouses and ports are included[3]. The profession is also highly engaged in the energy transition. Warehouses make it possible to massify flows which are transported by increasingly clean vehicles[4].

1.3 OUR ACTIVITIES

STERNE Group is a French logistics group, founded in 1972, and is the European premium logistics leader. It operates all types of urgent, high added-value transport, both scheduled and on-demand, for over 8,000 customers.

Historically, the core business is based on the organisation of regular, scheduled delivery rounds. Such expertise has major operational and environmental advantages:

- **Parcel deliveries and return flow collections are simultaneous.** That simultaneity considerably reduces the number of rounds. Reverse logistics means that spare parts can quickly be put back into circulation or recycled.
- **Flows are pooled** thanks to a dense network of agencies and warehouses. Thus, every new customer improves the round's economic and environmental efficiency.
- **The reliability and speed of deliveries and collections** means that customers can reduce their stocks, which they can manage on a just-in-time basis. That means less storage space.

STERNE Group's national and international network means it can supplement its scheduled services with a comprehensive multimodal on-demand offering.

Its expertise lies in:

- **Guaranteed D+ or H+ lead times**, depending on specifications, with full traceability;
- Extensive knowledge of **its vertical markets**: spare parts and industry, healthcare, tertiary, retail and luxury goods;
- Priority given to **sobriety, eco-responsibility and the decarbonisation of activities**.
- The reliability and speed of deliveries and collections means that customers can reduce their stocks and manage them on a just-in-time basis. That means **less storage space**.

OUR SECTOR EXPERTISE

	SERVICE SECTOR	MAINTENANCE SECTOR	HEALTH SECTOR	DISTRIBUTION SECTOR	INDUSTRIAL SECTOR	LUXURY SECTOR	AGRICULTURE
URGENT	✗	✓	✓	✓	✓	✓	✓
URBAN	✓	✓	✓	✓	✓	✓	✓
NIGHT	✓	✓	✓	✓	✓	✓	✓
DAY	✓	✓	✓	✓	✓	✓	✓
REVERSE	✓	✓	✓	✓	✓	✓	✓

STERNE Group has developed strong sector expertise that allows it to meet the needs and expectations of customers in 7 target markets.

STERNE Group's in-depth knowledge of its customers' expectations means it can offer each of them the most appropriate solutions.

Spare parts (maintenance)

The challenges facing the spare parts market are considerable: part availability, rapid response times, team productivity, stock reduction, reverse logistics and carbon footprint reduction. **STERNE Group** provides the spare part, maintenance and repair market differentiating services such as:

- **Proximity:** the spare part delivery locations are selected to minimise the number of miles travelled by the technician or travelling salesperson (at their place of work, near their homes or in their vehicles, at night),
- **The simultaneous collection** of new and defective parts,
- Delivery by vehicles with an **optimised environmental footprint**.

Industry

From automotive to industrial equipment, from high-tech to energy production, the entire industrial sector is subject to the same supply chain optimisation requirements. **STERNE Group** offers solutions tailored to every situation, whether scheduled or unscheduled, local or worldwide, with the same high standards of traceability and reduced environmental footprint.

Luxury

STERNE Group has been a partner to internationally renowned *haute couture* houses, luxury, art and gastronomy sector professionals for over 25 years. It has designed a range of 'white glove' services for exceptional goods that require special expertise that combine discretion and security. It relies on the experience and expertise of its staff which is fully conversant with the requirements of those markets to provide the service.

The tertiary sector

For service sector companies, managing and transporting documents and small parcels is an essential part of their activity. **STERNE Group** has 30 years' experience serving financial institutions, private health insurers and insurance companies. It offers them a pooled service that delivers both efficiency and reduced environmental impact.

Agriculture

Machinery breakdowns are a huge risk for farmers, especially during harvesting. **STERNE nox** has developed a 24/7 delivery service with the major agricultural machinery players. Whether for seals or combine harvester blades, technicians or farmers can be delivered directly in Germany, France, Austria or the Benelux countries.

Distribution and e-commerce

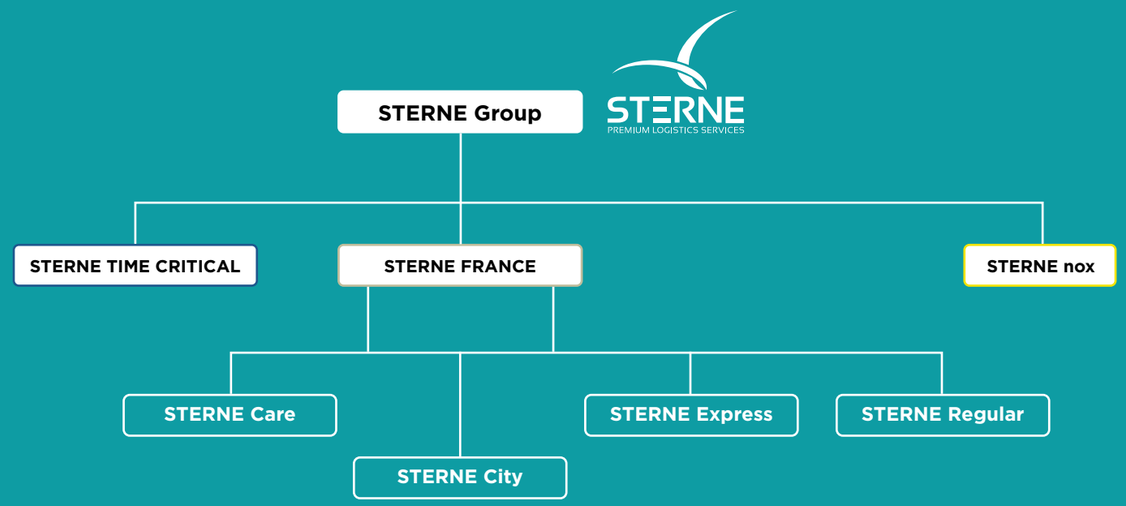
Logistics has become a key element in the growth strategy of distributors, wholesalers and retailers. It must respond to new consumer habits such as e-commerce, ship from store, click and collect, ... **STERNE Group**'s services make it possible to restock stores daily before they open so that the delivered customers improve their quality of service and reduce their stock levels.

Health

STERNE Group's expertise allows healthcare players - laboratories, research establishments, manufacturers or distributors of medical devices, public or private organisations - to meet their commitments to their customers or patients while complying with public health standards. Whether for regular rounds, deliveries of medication or medical equipment or urgent organ transport, the Group has a perfect command of thermal traceability and the challenges specific to that market.

1.4 SIMPLIFIED ORGANISATION CHART

STERNE Group composition



PROFILE

KEY EVENTS 2023

- The **STERNE France** headquarters doubled in size
- The optimisation unit is experimenting a digital solution that revolutionises route planning

917 Number of employees

223 M € Turnover

58,000 Number of stops per day

4,000 Number of partners

46 Number of sites

over **550** Number of rounds

STERNE Regular has a dominant position in the H+ precision regular transport sector in France. This division specialises in the regular, often daily, delivery of various items such as spare parts, documents, products, small equipment and consumables to business customers. The model optimises travel and is key to reducing customers' carbon footprint.

For example, a STERNE employee can deliver parts while collecting returnable packaging during a single visit to an industrial site. The activities can also include the complete mail flow management for a bank. That helps minimise the distances covered, thereby reducing the company's and its customers' carbon footprint.

Most deliveries are scheduled directly to customer sites during the night and early morning, or even to their employees' vehicles in the case of sales representatives and technicians.

STERNE Regular also has 360 professional service points for parcel drop-off and collection, offering great flexibility in terms of delivery and pick-up times.

STERNE Regular covers the whole of France with environmentally-friendly vehicles, encouraging the use of reusable containers in its requests for proposals.

Laurent Gontharet
Managing Director
STERNE France

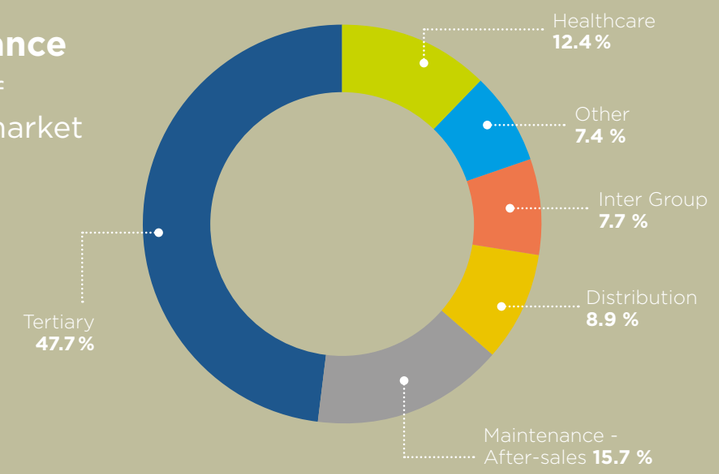
Our customers attach increasing importance to our corporate social responsibility (CSR) commitments relating to their environmental, social or ethical aspects.

To support them, we take a proactive approach to environmental challenges. Our customers are looking for partners that can propose solutions that combine faultless quality of service and low-carbon transport. We work together to find the right balance.

To reduce our environmental impact, we focus on optimising our operations, in particular by reducing empty mileage and providing sustainable, reusable packaging. The Group's skills and expertise are a major asset in that approach.

STERNE France

Breakdown of turnover by market



STERNE Express delivers and collects letters and parcels both nationally and internationally according to a planned schedule. The express solutions use the same logistics platforms as **STERNE Regular** in France and extend to 180 countries, operating 1,100 operational sites and 8 strategic hubs for air freight as a member of the SKYNET and WCA international networks. Regular deliveries also help optimise environmental performance.

STERNE City offers urgent delivery solutions in France's major high-density conurbations which are subject to Low Emission Zone regulations. Those deliveries, whether on a regular schedule or on demand, must meet the challenges of city centre congestion and the search for environmentally-friendly mobility solutions such as electric vehicles, bicycles, cargo bikes and electric scooters. **STERNE City** provides evening delivery of purchases made by consumers during the day, for example.

STERNE Care is positioned as a specialist partner for medical sector players such as hospitals, clinics, pharmacies, analysis laboratories, dental technicians and medtech players. The deliveries, which are often temperature-controlled and traceable, are made by specialised vehicles that guarantee compliance with the cold chain and local environmental standards.

PROFILE

KEY EVENTS 2023

- The local HR team has been strengthened
- Agencies are moving to new, greener premises in France, Romania and China

206 Number of employees

210 Number of countries served

76 M € Turnover

1,300 Number of partners

5 Number of countries

250,000 Number of trips

10 Number of sites

Aymeric Denneulin
STERNE Time Critical Director

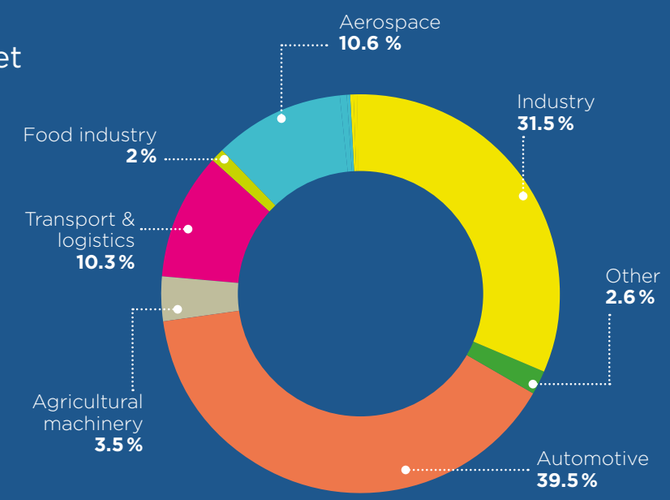
"Our customers are responsive to our CSR commitments, especially regarding compliance, for which we have a dedicated team because we operate worldwide.

We are also proactive on environmental issues. Our customers need true partners to be able to arbitrate between the criticality of a situation and their carbon footprint. We work together to find the right balance. To do that, the Group's expertise is a real plus.

This year, we set up an HR team dedicated to the Business Unit to meet our needs as closely as possible. It supports our employees day-to-day with training, recruitment, etc. This proximity is very important in our very specific businesses which are always under pressure for all profiles."

STERNE Time Critical

Breakdown of turnover by market



An urgent and sensitive transport leader in Europe and worldwide, **STERNE Time Critical** guarantees availability 7 days a week, 24 hours a day. Specialising in bespoke urgent delivery solutions, the company offers services by land, air or a combination of the two, adapted to situations that require extreme responsiveness where time is of the essence.

Intervention scenarios include the urgent delivery of high added-value parts or of parts likely to cause production stoppages or deliveries of important official documents. **STERNE Time Critical**'s expertise lies in its logistics flow management and the chartering of multimodal transport, giving its customers the opportunity to improve their carbon footprint through practices such as groupage and co-loading, subject to customer demand.

PROFILE

KEY EVENTS 2023

- **STERNE nox** joined **STERNE Group** at the end of 2022 and is gradually integrating the Group's CSR policy.
- Energy consumption on sites reduced by 14% in one year
- 70% of the energy consumed by our sites is from renewables

894
Number of employees

278 M €
Turnover[5]

3,000
Number of partners

20,000
stops per day
Number of rounds

24
Number of sites

5 - nox Germany only.

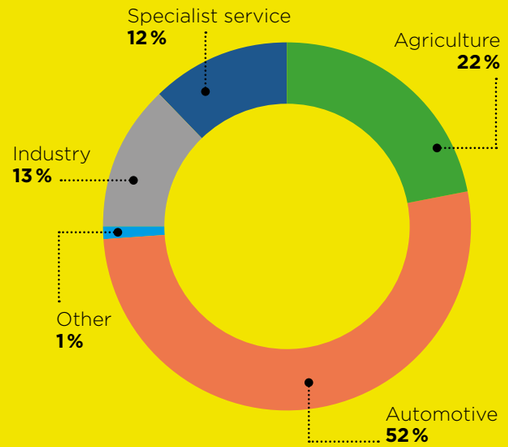
Alexander Kohnen
STERNE nox Director

We are highly aware of our social responsibility. Our professions provide real potential for people with few qualifications or who have been out of work for a long time, alongside highly specialised and expert profiles. Our sites are home to a wide range of nationalities, and we support them to make sure that everyone feels part of the team. We also work to strengthen our appeal, particularly to the younger generations.

As far as the environment is concerned, our partners' fleets have now been renewed with the latest available motorisations, and we continue to monitor technological developments to further progress in the coming years.

STERNE nox

Breakdown of turnover by market



EUROPE'S LEADING NIGHT DELIVERY SERVICE

STERNE nox makes over 80 logistics centres in France, Germany, Austria, Belgium and the Netherlands available to its customers, with national coverage in Germany and a European network of partner companies. **STERNE nox** is present in the personal and utility vehicle, construction, agricultural and healthcare equipment markets.

STERNE nox STANDS OUT FOR ITS NIGHT-TIME EXPRESS NETWORK, THE MOST EFFICIENT IN EUROPE

85% of deliveries reach their destination before 6am in the morning, so that the equipment or spare part is available before the day begins.

The automotive sector accounts for half of its customer base. Precision logistics comes into its own in this highly complex production chain where a missing part can mean a very costly production stoppage.

In the commercial vehicle, agricultural or site machinery sectors, parts are put to the test in extreme conditions. The ability to keep machinery in working order, regardless of the motorisation, is a real advantage for our customers. **STERNE nox**'s expertise means that parts can be made available as quickly and as closely as possible to where they are needed, from electronic components to large-calibre electric batteries.

Garages and car repairers have little space to store the multitude of tyre and windscreen references they need for their business. **STERNE nox** allows them to offer their customers the best possible service in the shortest possible time.

From sensors to tubes and artificial hips, the smooth running of clinical processes requires flexible planning and optimum quality. **STERNE nox** also has over 55 years of expertise in the healthcare sector and knows how to meet its specific needs.

1.5 STAKEHOLDERS AND THE GROUP'S VALUE CHAIN

[ESRS 2 - SBM-2]

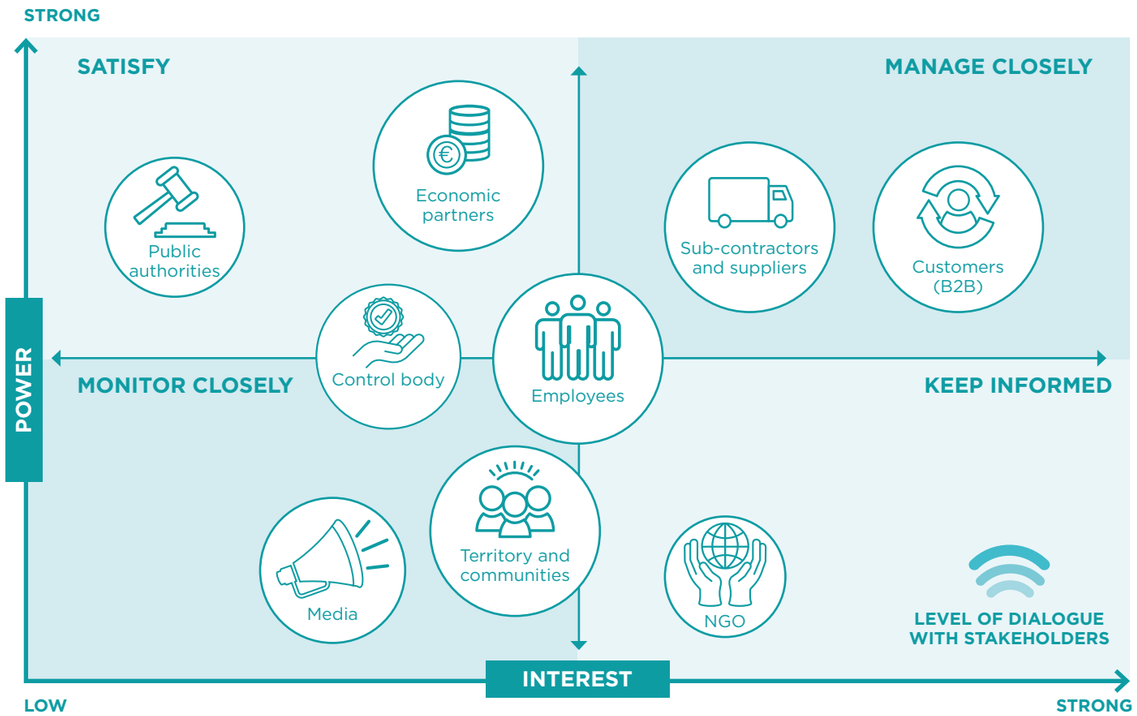
STERNE Group seeks to have a positive impact on its entire ecosystem and to create value for all its stakeholders.

To achieve that, it builds trusting relationships with its employees and their families, its customers, its owners and shareholders, its subcontractors and suppliers, its financial partners, the public authorities, inspection bodies and civil society as a whole (media, NGOs, associations).

1.5.1_ Stakeholder mapping

In 2022, the Group updated its stakeholder analysis according to the reciprocal interest and power criteria.

That analysis provides input into **STERNE Group**'s strategy, the definition of its purpose, and its approach to corporate social responsibility. It was one of the steps in updating the materiality matrix in 2023 in line with CSRD recommendations.



Nathalia MILLAN
ESG Director for Private Equity at Tikehau Capital

As investors committed to decarbonising the real economy, we saw an opportunity to invest in the STERNE Group equity. The Group's business model incorporates the most effective levers available for the reduction of transport-related emissions as identified by the International Energy Agency (IEA). Furthermore, since we invested, the company has demonstrated its commitment to sustainable development with remarkable initiatives such as the validation of a decarbonisation trajectory by the Science-Based Targets (SBTi) initiative, the adoption of the Mission-driven company status, and a pioneering approach to responding to the CSRD as from 2024. Finally, STERNE Group is positioned as a key player in our CSR ecosystem thanks to the availability of management to share best practice, and feedback from our other portfolio companies.

1.5.2_ The STERNE Group value chain

Economic partners

Sustainable development issues are increasingly being taken into account by **STERNE Group**'s economic partners. Both equity investors and lenders have expectations concerning the Group's ambitions in that area. **STERNE Group** is part of an impact fund's investment portfolio under the SFDR article 9 regime. In that context, the Group must explain the contribution of its activity to the fund's impact thesis, decarbonisation, and must also provide quantitative information on CSR performance and the management of risks and negative impacts in an annual report.

Furthermore, the Group has negotiated its debt by building ESG criteria into the credit rate structure. Two criteria were taken into account: reducing the Group's carbon footprint and improving the Ecovadis score of its entities.

Customers

Growing awareness of climate change is encouraging customers to work with companies that are aware of their impact and that can make proposals to reduce their carbon footprint. The Group's customers range from large companies to SMEs: its services are tailored as closely as possible to the needs of all of them, while allowing them to benefit from a standardised approach to processes.

Suppliers, subcontractors and partners

The Group's subcontractors are mainly hauliers. These partners make it possible to provide services as close as possible to the need using their human and material resources.

The Group has a direct impact on the local economies of its site locations. By selecting service providers close to its operating sites, it has a strong local presence.

75% of suppliers are SMEs.

1.6 CSR POLICY GOVERNANCE

[ESRS 2 - GOV-1 and GOV-2]

STERNE Group's CSR approach is based on continuous improvement initiated and steered by the Group's General Management and implemented by the QSSE - CSR - ESG Department.

The presence of the Quality, Safety, Security, Environment and CSR Director on the Executive Committee since his appointment in 2020 illustrates **the importance of CSR in the Group strategy**. In 2023, the QSSE - CSR - ESG Director attended 4 meetings of the Group's Supervisory Board to share the main achievements with the shareholders.

GOVERNANCE

SUPERVISORY BOARD

- 4 meetings a year dedicated to CSR / CSR topics discussed at each meeting
- CSR Committee
- CSR awareness-raising
- Oversees Group strategy and CSR issues

EXECUTIVE COMMITTEE

- 12 meetings a year dedicated to CSR / CSR topics discussed at each meeting
- Prepares and approves decisions relating to the CSR strategy
- The presence of the Quality, Safety, Security, Environment and CSR Director on the Executive Committee since his appointment in 2020 illustrates the importance of CSR in the Group strategy.

OPERATIONAL CONTROL

QSE - CSR - ESG DEPARTMENT

The Department is in charge of structuring and implementing the CSR-ESG approach in conjunction with the other departments and the international subsidiaries.

- **It had 6 employees (3 in France, including 1 work-study programme student, and 3 in Germany at the end of 2023).**

HUMAN RESOURCES DEPARTMENT

The Group Human Resources Department is a member of the Executive Committee.

- **It is in charge of the social aspects of the Group's CSR policy and for rolling it out across the *Business Units*.**

PURCHASING DEPARTMENT

The Purchasing Director is a permanent member of the Executive Committee.

- **He manages the Group's purchasing policies and tools** (*supplier charter, purchasing rules, controls, etc.*) **and makes sure they are applied consistently in the field.**

The Directors of each Business Unit implement the Group's policies by adapting their roadmap to the specificities of their business.

CONTROL & COMPLIANCE

Compliance is managed by **a cross-functional team**.

The actions are steered by:

- **Managing Director**
- **Chief Financial Officer**
- **Director of Human Resources**
- **Purchasing Director**
- **Quality, Safety, Security and Environment - CSR- ESG Director**
- **Information Systems Director**

DISTRIBUTION IN THE PROFESSIONS

The Group ensures the commitment of all its employees through a global approach to operational certification and labelling which covers all aspects of CSR in accordance with the principles of the **ISO 26000 standard**.

For the 2023-2024 period, the Group is therefore engaged in a **certification and assessment process** on the following eight standards:

Since January 2023, the entire Group has been certified for the ISO 9001 and 14001 standards. STERNE France entities + STERNE Time Critical are 13485, 28000, 28001, 45001 certified and have a 50001 assessment. STERNE France is ISO 27001 certified.

ISO 9001	*Quality Management*
ISO 13485	*Medical devices - Quality Management Systems*
ISO 14001	*Environmental Management*
ISO 28001	*Security management systems for the supply chain*
ISO 28000	*Supply chain resilience*
ISO 45001	*Occupational Health and Safety Management*
ISO 50001	*Energy Management*
ISO 27001	*Information security*

The Group has also achieved **high levels of recognition by Ecovadis** for all its *Business Units*:

Business Unit	Status	Level
Regular	Platinum	99th percentile
STERNE Time Critical	Gold	95th percentile
STERNE Express	Platinum	99th percentile
STERNE Care	Gold	97th percentile
STERNE City	Gold	97th percentile
STERNE nox	Silver	65th percentile

1.7 STERNE GROUP, A MISSION-DRIVEN COMPANY

Becoming a Mission-driven company is an important milestone in our history. It demonstrates the long-term commitment of the Group, its management and its shareholders. Taking that step is further proof of the maturity of our approach.

David BARIBEAU
Marketing and Development Director

By becoming a Mission-driven company in 2023, **STERNE Group** strengthened its position as a committed group.

As a multimodal transport and logistics group, **STERNE Group** is convinced that its activity plays a key role in the ecological transition. Faithful to that notion, its purpose is based on the demonstration over several decades of its expertise in putting that belief into practice.

A mission formalised by a purpose

"Optimising transport and logistics flows and the associated services to support our customers in setting up eco-responsible, innovating, high added value services, contributing to the development of more sustainable ethical and economic performance, preserving natural resources and guaranteeing a constructive and supportive quality of life at work."

A purpose materialised by environmental and social objectives[6]

In line with its purpose, **STERNE Group** has defined strategic social and environmental objectives that it is committed to pursuing as part of its activity:

- Contributing to the ecological transition by reducing the environmental impact of our services and promoting eco-responsible behaviour amongst all our stakeholders.
- Promoting good quality of life at work to guarantee the fulfilment, safety and intellectual stimulation of the Group's employees and partners.
- Acting ethically and transparently towards all the Group's stakeholders in order to fulfil our mission.

The Mission Committee

The Mission Committee is in charge of monitoring the mission.

An independent body, its role is to:

- Monitor the fulfilment of the mission and the resources deployed to achieve the objectives,
- Ensure compliance with the mission and report any shortcomings or obstacles to its fulfilment,
- Draw up an annual mission report and attach it to the management report.

The Mission Committee is also a group in which external experts share their experience and expertise in sustainable development to advise **STERNE Group** and its managers on areas for improvement and what the market is prepared to give value to.

It was set up on the date this report was published and will hold its first meeting in the first half of 2024.

6 - As defined by 2° of Article L. 210-10 of the French Commercial Code

1.8 VALUE CREATION MODEL

STERNE Group
Premium logistics expert

Megatrends

New consumer habits and production practices
Stock value optimisation
Increased supply chain outsourcing
Inclusion of sustainable development concerns

STERNE PREMIUM LOGISTICS SERVICES

OUR RESOURCES

HUMAN CAPITAL
2017 employees
28 % women

SOCIETAL CAPITAL
8,000 customers
8,300 partners

MANUFACTURING CAPITAL
5 logistics platforms
85 agencies
94.2% Euro 5 and 6 vehicles

NATURAL CAPITAL
136,841 tonnes of GHG emissions

AN INNOVATING CULTURE
Finding everyday improvement tools for our staff and our customers

A CSR POLICY THAT PERMEATES ALL ACTIVITIES
Contributing to ecological transition
Promoting the best possible quality of life at work
Acting ethically and transparently

DIVERSE BUSINESS EXPERTISE
- Tertiary
- Maintenance
- Healthcare
- Distribution
- Industry
- Luxury
- Agriculture

SCHEDULED AND UNSCHEDULED PREMIUM LOGISTICS SOLUTIONS
STERNE nox **50 %**
STERNE France **36 %**
STERNE Time Critical **14 %**

PURPOSE
To optimise transport flows, logistics and associated services to support our customers in the implementation of eco-responsible, innovating and high added value services that:
- contribute to the development of more sustainable ethical and economic performance,
- preserve natural resources,
- guarantee constructive and supportive quality of life at work.

STABLE AND COMMITTED GOVERNANCE

OUR SITES
Presence in 10 countries
210 countries served

OUR FUNDAMENTAL VALUES
Service, Speed, Reliability, Innovation

OUR IMPACTS AND ACHIEVEMENTS

FOR OUR CUSTOMERS
over 2,000,000 stops* per month
Local network
8 ISO certifications

FOR OUR EMPLOYEES
Work from home policy
34.7% of employees trained

FOR OUR SHAREHOLDERS
€555 M turnover

FOR THE PLANET
Science-based commitments certified by the SBTi
Development of the electric fleet
56 T of waste avoided thanks to reusable containers
1.72% reduction in carbon intensity
Route optimisation

** Vehicle stops during a delivery phase.*

1.9 STRATEGY

[ESRS 2 - SBM-1]

1.9.1_ Contributing to the development of global economic performance

STERNE Group supports its international growth through targeted acquisitions and organic growth driven by its premium offer while contributing to the development of sustainable economic performance.

Those ambitions are based on three themes:

- **Financial performance and capacity for innovation**

The Group's asset-light model gives it agility, creativity and capacity for innovation. Its investments allow it to assert its position as the European premium logistics leader.

- **Minimised environmental impact**

The Group applies a general greenhouse gas emission reduction and energy sobriety policy both to itself and to its customers.

- **Best possible quality of life at work**

The continuous improvement of working conditions and social on-boarding have been the cornerstones of the Group's culture since its creation.

We attach great importance to a field-based approach to all innovations.

Using our new network design tool, we combine our operational experience with the power of digital technology so that we can offer our customers the best solutions.

Jean-Marie JOESSEL
Director of Innovation and Networks at Sterne Regular

1.9.2_ Innovation, a vector for continuous improvement

STERNE Group has put innovation at the heart of its growth strategy, with four major objectives:

- **To create added value for our customers**
- **To improve logistics and energy efficiency**
- **To improve customer service and experience**
- **To be more agile to adapt to market changes**

Round optimisation, a virtuous circle

From the outset, the Group's innovating culture focused on optimising and pooling regular rounds, which are its core business and central to environmental issues. **STERNE Group** bases its vision of innovation on a virtuous circle: every saved mile is a saving for customers, for the Group, and for the environment. Process industrialisation is a key factor for competitiveness.

Increasing complexity

Designing optimised routes requires increasingly sophisticated technology. The technical and operational parameters must take into account:

- the reduction of the number of miles travelled,
- customer constraints (early morning deliveries, night deliveries or deliveries at specific times, deliveries to technicians' premises or vehicles, etc.),
- the minimisation of disruptions to existing customers when opening or modifying a round,
- regulatory constraints (low-emission zones),
- tailored solution culture, the Group's cornerstone,
- the diversity of parcels (size, weight, temperature-controlled, fragile, sensitive, etc.)
- and the improvement of staff working conditions.

Optimisation is in our DNA. We seek it for our customers, but also for our information systems as part of a Green IT policy.

In 2021, we centralised all our local server rooms to 2 mirrored data centres.

This highly redundant, new infrastructure compliant with the latest standards will deliver substantial energy savings while making our systems more reliable and easier to maintain. It allows us to integrate acquired companies using increasingly robust processes.

Julien MICHALLET
Director of Digital Transformation

Technology to support cutting-edge operational expertise

At the forefront of its sector of activity, in 2023 **STERNE Group** implemented a software solution to streamline all criteria using the latest available technology. The solution, which was tested and rolled out into production at **STERNE Regular** in 2023, will gradually be rolled out across the entire Group. This ground-breaking technology makes it possible to multiply hypotheses by modelling and testing new scenarios, thereby saving considerable amounts of calculation time and significantly increasing accuracy. It optimises expert team know-how and quality of life at work, with its highly sophisticated ergonomic design.

Continuous innovation to drive performance

In 2023, the Group stepped up the deployment of **RFID** (Radio Frequency Identification) technology on labels. The solution makes handling sensitive items such as cheque books more reliable and simpler. Drivers in France had over 1,200 RFID scanners at the end of 2023.

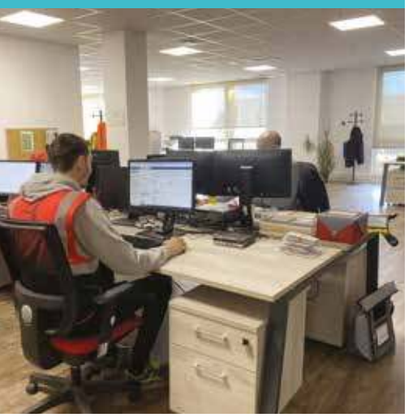
Adopting a **DMS** (Delivery Management System) solution makes work in the field easier for staff and improves the customer experience. In the form of a mobile application used by drivers and a control tower for operators, the DMS makes it possible to locate parcels, rework rounds daily, identify anomalies, and communicate simply in a user-friendly way. Having won the support of employees and customers alike, the solution will be rolled out across the entire Group.

Furthermore, the platforms dedicated to document flows are including an increasing number of functions: besides storage, envelope stuffing and industrial franking, **STERNE Group** is now able to offer **document scanning** which avoids transferring documents to other suppliers and allows mail room massification. The versatility of the Group's platforms makes them unique in France. It considerably reduces the number of trips required to process documents.

Finally, **STERNE Group** has been a pioneer for over 20 years by offering its customers **reusable packaging**, plastic bags and bins. This packaging is constantly being improved to enhance the traceability, safety and practicality of the items. They are especially valuable in the healthcare sector, where such criteria are critical.

1.9.3_ Data security and responsible use

Data security is a major issue for the Group. It is covered by 23 policies covering all areas of information systems security (ISSP). The system in place is comprehensive and formalised by an ISO 27001 (Information Systems Security) certification process that guarantees its robustness.



Data security

- **Governance**

Information system security at the Group level is overseen by the **CISO** (Chief Information Security Officer) who is a member of the Executive committee and has authority over all the subsidiaries. He drafts, updates and organises all ISSP[7] policies and monitors their deployment by the local teams. Examples include general IS security policy, access control, backup and archiving processes, etc.

The CISO coordinates the roll-out of the **ISO 27001 certification** process, which will be effective for 100% of France in January 2024. Under the three-year plan, the aim is to extend the scope of the certification to the **STERNE nox** subsidiary by 2026.

The **SOC** (Security Operation Centre) is outsourced and relies on the most robust, competent and resilient European suppliers. It is in charge of the continuous monitoring of the Group's information systems, providing 24/7 monitoring to detect threats and contain them before they become full-blown security incidents.

- **System and tools**

The system is in line with the ISO 27001 summary. Its aim is to provide the business continuity that is critical in the just-in-time logistics sector that handles many connected objects and paperless purchase orders. A Group failure could have financial consequences for its customers by disrupting the spare part or document deliveries required for their businesses.

Like all other companies, the Group has seen an increase in attempted cyber-attacks and is constantly adapting its measures to prevent, detect and protect its information systems and data.

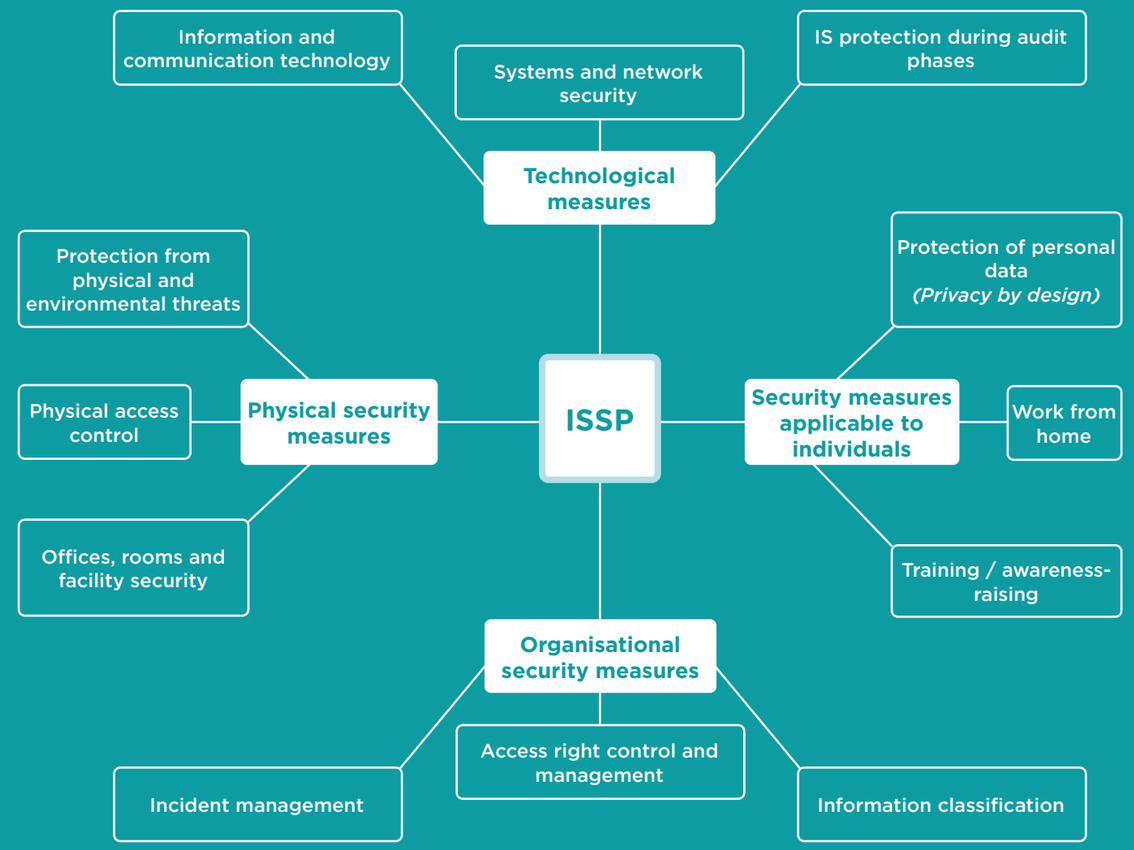
In that context it has:

- **An organisational security** system, including incident management and information classification,
- **Physical security measures**, including physical access control, premise security and protection from physical and environmental threats,
- **Security measures applicable to individuals**, including work from home rules, personal data protection and employee training/awareness-raising. Each employee attends at least one GDPR and cyber security training session a year organised by the human resources department on a specialised e-learning platform.
- **A technological system** covering system and network security, information and communication techniques, and the protection of the information system during audit phases. The inclusion of new entities' information systems in the Group's infrastructures is an integral part of the acquisition process and ensures that the systems remain under control.

All that is listed in a comprehensive and continuously updated ISMS document repository.

7 - Information system security policy.

Data security and protection system diagram



The restructuring of the IT infrastructure in 2021 made it possible to further strengthen the security by design of operations. Centralising the servers and standardising applications means we can keep control of our systems in a context of sustained external growth.

Boris POUDEROUS
Chief Information Security Officer

Applying "Privacy by design" rules means we can make sure collected data is kept to a minimum and all GDPR requirements are met from the design stage.

Nadir BOUZAD
CISO and DPO

Personal data management

- **Governance**

Like all European companies, **STERNE Group** is impacted by the GDPR regulation (General Data Protection Regulation) as a "data controller" when it processes its employees' personal data. It is also impacted as a "processor" when it processes personal data on behalf of its customers.

The **DPO** (Data Protection Officer) ensures compliance with the GDPR regulation and its deployment across all subsidiaries. He reports to the Chief Executive Officer and relies on a network of correspondents in the various Group entities.

During external growth operations, the acquired companies are included in the compliance programme.

- **System**

The organisation includes:

- policies and procedures applicable to all entities, covering the protection of personal data,
- the mapping of personal data processing carried out by Group entities on their own behalf or on behalf of their customers in their capacity as data controllers or data processors,
- a register of personal data processing used to respond to any requests by data subjects to exercise their rights,
- training using specific e-learning
- The conduct of internal controls and audits several times a year to make sure the compliance programme is effectively implemented.

142
employees took the GDPR e-learning course in 2023

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

2.1 STERNE GROUP, A GROWTH MODEL AT THE SERVICE OF GREENER LOGISTICS

Aware of the need to combine economic, social and environmental performance, **STERNE Group** has made sustainable development an absolute priority. It has undertaken to unite its ecosystem around a shared social project.

The Group has renewed its membership of the Global Compact every year since 2021

The Group has especially undertaken to contribute to the United Nations Sustainable Development Goals:

Environment, climate and energy

The Group wants an effective energy and environmental transition.

Its ambition is to be an exemplary player in its sector in terms of environmental impact and energy use.

Its objective is to reduce its GHG emissions by 42% on scopes 1 and 2, and by 25% on scope 3 between 2021 and 2030.

Collective and social well-being

At the heart of its mission and purpose, the Group intends to continuously improve the living conditions of its employees and external stakeholders by providing the best possible working environment that promotes efficiency and conviviality.

STERNE Group takes great care to make sure human rights are respected by prohibiting all forms of child and forced labour throughout its production process.

Economic stimulation of society

Through its environmental and social commitments, **STERNE Group** intends to generate economic stimulation in all the regions in which it operates.

It aims to promote the local economy through its extensive responsible purchasing policy.

Loïc CHAVAROCHE
QSSE - CSR - ESG Director

"In 2023, we continued our work to gradually and voluntarily integrate the CSRD requirements and anticipate the ESRS standards.

Using the double materiality rules, we shed new light on our risk analysis which enhances our commitment as a Mission-driven company.

*We also worked hard on the integration of our **STERNE nox** subsidiary which will continue in 2024."*

2.2 IDENTIFICATION OF THE MAIN IMPACTS, RISKS AND OPPORTUNITIES

[ESRS2 - IRO-1]

STERNE Group's social responsibility approach is based on attentiveness to its internal and external stakeholders.

To rank its actual and potential impacts, risks and opportunities on environmental, social and governance (ESG) issues, **STERNE Group** analysed them using the double materiality principle based on the Group's risk mapping.

2.2.1_ Double materiality analysis

In 2022, **STERNE Group**'s CSR department conducted an in-depth materiality analysis of its CSR challenges . The analysis was reviewed in 2023 in accordance with the CSRD guidelines and ESRS standards which define the concept and methodology of a **double materiality** analysis. That review made it possible:

- to link the issues identified by the 2022 analysis to the list of ESG issues recommended by the ESRS 1 standard in appendix AR16,
- to accurately rate the Group's impacts, risks and opportunities with a view to objectivity,
- to include the new perimeter acquired at the end of 2022**(STERNE nox**).

The analysis was carried out in 4 steps:

1. Review of the Group's **stakeholder mapping** to assess which stakeholders are most impacted by each ESG issue. Those stakeholders will be consulted progressively to consolidate the internal analysis of the issues that have the greatest impact on them.

2. **Identification** the main CSR issues to analyse. In accordance with the ESRS 1 standard guidelines, an initial list was drawn up using the AR16 Delegated Act appendix. That list was compared to the list of issues identified in 2022 based on the Transport and Logistics sector reference, pending publication of the CSRD sector standards.

   The sector reference is fully aligned with the ISO 26000 standard which it adapts to the specific characteristics of logistics activities. It was drawn up jointly by representatives of private and public sector players (Ministry of Transport, Ministry of the Economy and ADEME). The 7 fields of CSR action are split into 27 issues in the reference.

   In 2023, the comparison led to:

   - a change in the title of certain issues (for example, "Development of human capital" becomes "Training and skills development"),
   - the introduction of more granular issues (such as "Climate change mitigation" and "Adaptation to climate change", instead of "Climate change",
   - the addition of new issues (such as "Supplier relationship management"),
   - the synthesis of the issues ("Other inconveniences" joins the "Pollution" issue),
   - the removal of the "Innovation development" issue, which is considered to be a business model element and not an ESG issue,
   - it should be noted that the "Security of personal data" issue is treated as an employee, end customer and user security element, while "Information system security" is an element of the Group's general strategy.

3. Definition of **thresholds** for the rating of issues (qualitative thresholds).

- **Severity** is rated from Critical to Not Significant using 5 levels (Critical, Major, Moderate, Minor, Not Significant), taking into account:
  - **For financial risks:** reputational, legal, quality, social and environmental risks
  - **For impact risks:** risks to employees, customers, suppliers, impacted communities and the environment
- The **probability of occurrence** is rated using 5 levels:

- **ALMOST CERTAIN** (existing or very frequent)
- **PROBABLE** (occurs several times a year)
- **POSSIBLE** (occurs within 3 years)
- **UNLIKELY** (occurs within 5 years)
- **RARE** (unexpected)

4. **Consultation** with the heads of all the business units who are familiar with the Group's commercial and strategic prospects and have close links with the Group's stakeholders (employees, customers, regulators, elected representatives, etc.), in order to rate the various issues.

A consultation process with external stakeholders will gradually be set up to support the analysis.

In 2023, SBTi's experts carefully examined the Group's transition plan and validated it. The many discussions on that occasion with the QSSE - CSR - ESG Department confirmed the Group's assessment of the importance of the climate issue and the appropriateness of the implemented measures.

The working groups and contacts consulted reviewed the 2022 materiality matrix using the following criteria (gross risks):

Financial materiality

The impact (positive or negative, actual or potential) that an ESG issue could have on **STERNE Group**'s financial performance in the short, medium and long term, was rated according to the **severity** and **probability of occurrence** criteria. The issues that are a major, significant or minor risk or opportunity according to that analysis are considered to be material.

Impact materiality

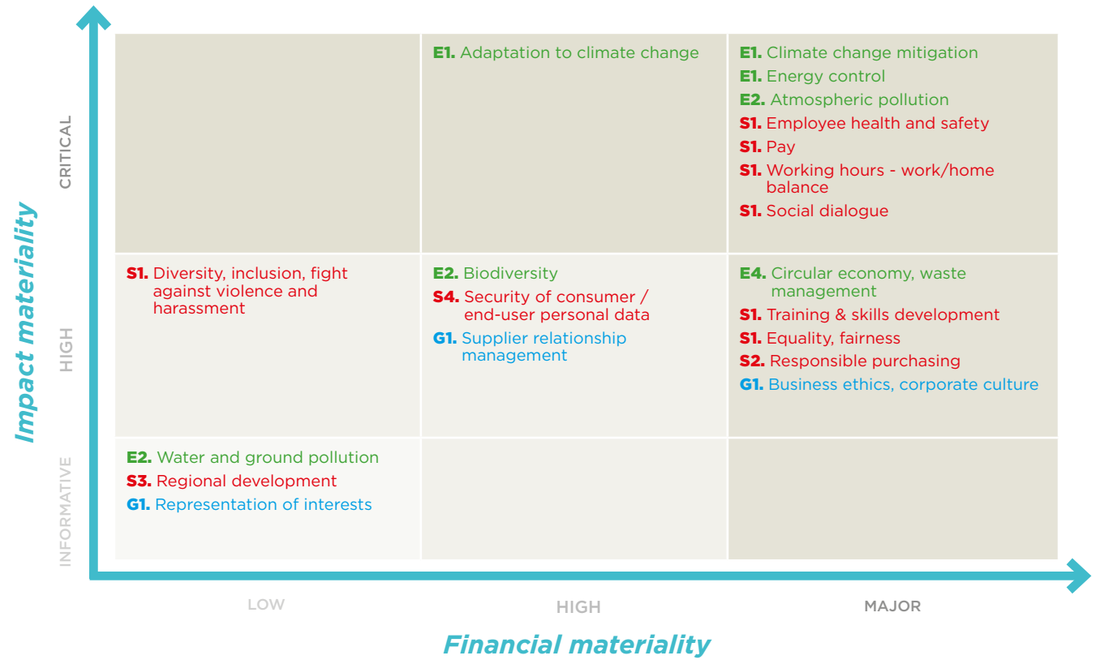
The impact of an ESG issue (positive or negative, actual or potential) that **STERNE Group** could have on its stakeholders (including the environment) in the short, medium and long term was rated according to the **severity and scope, probability of occurrence** and **remediability** criteria. Issues for which **STERNE Group** assesses critical, significant or informative impacts according to the analysis are considered material.

In summary, if an issue was analysed as material for its financial impact, or its impact on stakeholders, or both, the issue is considered material and appears in the materiality matrix below. The list of issues analysed as non-material can be found in the appendix to the sustainability report.

- Finally, Senior Management and the Group Strategy Committee conducted a **detailed review and the final validation** of the materiality matrix.

The materiality matrix presented below highlights the actions on which STERNE Group must focus as a priority.

It will be used as a tool for dialogue during future stakeholder consultations.



The hierarchy of CSR challenges for **STERNE Group** is as follows:

- The **major issues** common to all activities are those for which policies and action plans should be deployed as a priority and monitored using key performance indicators. They match the Mission's operational objectives;
- The **major challenges** to be deployed in parallel, with indicators of means or results;
- **Issues of lesser materiality** that have less impact on the Group's performance and on its stakeholders, but on which the Group adopts a proactive stance.

[ESRS2 - SBM-3]

2.2.2_ Summary table of the main impacts, risks and opportunities

To meet the requirements of the extra-financial performance declaration and to anticipate the requirements of the Corporate Sustainability Reporting Directive (CSRD), the Group uses materiality analysis to define the policies and action plans to deploy. It therefore aims to:

- Take into account the social and environmental consequences of its activities;
- Prevent, identify and mitigate the occurrence of risks related to its activities and the risks created by its business relationships, products or services, in a relevant and proportionate manner.
- Take into account the consequences of environmental and social change on its financial performance to adapt its business model and strategy. The Group especially analysed the impact of climate change on its activities using the analytical framework proposed by the TCFD (see the detailed results of the analysis in ***section 2.3.1***).

Since its creation, the Group has undertaken a permanent process to manage and reduce the main risks linked to its activities, especially in terms of the environment and safety.

Through its expertise and capacity for innovation, it develops processes and solutions that provide a wide range of opportunities to contribute to sustainable development.

The material challenges are the subject of structured programmes and their progress is monitored using indicators, as shown in the table on the next page.

Those programmes are detailed in the various sections of this report. The key performance indicators are summarised in ***section 2.8***.

	Materiality matrix issues	Impacts on the environment or society (positive or negative, actual or potential)	Risks for the Group	Opportunities for the Group	Policies and/or action plan	Indicators	Extra-Financial Performance Declaration (DPEF) Section
	ENVIRONMENTAL INFORMATION						
[E1]	**Climate change**	Transport activities emit greenhouse gases. Pooling and rationalising trips is an important means of reducing emissions for all STERNE Group customers.	- Reducing GHG emissions in the logistics and transport sector is a key Paris Agreements objective. It covers both transport and warehouse activities. The main risks are regulatory, but also commercial, as an essential cog in supply chains. - The sector must also adapt to the consequences of climate change predicted by the experts. Energy (on sites or fuel) is strategic to logistics activities. It represents a significant proportion of the costs borne by Logistics Activity Operators (LAO). STERNE Group is dependent on technological advances, but strives to deploy them as quickly as possible in the interests of its customers.	- Gains in market share with low-carbon offers. - Anticipate and mitigate the physical effects of climate change. - Lower energy consumption costs (electricity and fuel).	- Control and reduce GHG emissions along a path in line with SBTi recommendations - Prepare logistics activities to adapt to possible extreme events linked to climate change that could have an impact on the company - Energy sobriety plans	- Scope 1, 2 and 3 GHG emissions - GHG emission intensity / € million turnover - Energy consumption	**2.3.1** Climate change
[E2]	**Pollution**	The pollution issue is especially important in urban logistics activities in densely populated areas. Freight transport is a major emitter of atmospheric pollutants, especially NOx, SOx and fine particles. Land transport and urban logistics activities can be sources of inconveniences such as noise, city congestion and even smells. They are likely to have an adverse impact on the health and well-being of local populations. Logistics platforms and warehouses can damage landscapes and cause negative reactions from local residents.	- The use of motorised vehicles in urban areas is becoming increasingly regulated, forcing changes to vehicle motorisation.	- Increase in market share in urban logistics thanks to a low-carbon, optimised and pooled offering. - Environmental certification of sites helps to contain the overall risk of pollution.	- Control and limit emissions of atmospheric pollutants, liquid pollutants in water and the ground, and other inconveniences	- % of vehicles fitted with Euro 5 and 6 engines - % of ISO 14001 certified sites	**2.3.2**
[E4]	**Biodiversity**	The Group's material impact on biodiversity is linked to the surface area on the ground of its logistics facilities. The impact is limited by the fact that the Group's sites are located in areas that are already artificialised. The carbon offsetting projects offered to customers have the Low Carbon label and involve enhancing natural areas by promoting biodiversity in France.			- Limit the destruction and deterioration of natural environments as much as possible (by controlling and limiting pollutant emissions, managing the areas occupied by the company in such a way as to protect local species and their habitats) - Encourage actions to restore biodiversity	- Number of sites located in Natura 2000 zones, protected areas or key biodiversity zones	**2.3.3**
[E5]	**Circular economy, including waste management**	The Group does not generate much additional waste. But it also offers its customers the chance to recycle their waste by consolidating it to increase the recycling rate. It encourages its customers to use reusable containers.	Some consumables used during operations (pallets, packaging, film, cardboard) have a limited lifespan. They require energy to shape and transport them. Their destruction causes pollution (incineration or landfill). For the Group, all these resources are costly both to purchase and to dispose of.	- Waste can become a resource if it is recovered, reused or recycled. Whenever the contract allows, the Group favours the use of reusable containers, bags and attached lid containers.	- Encourage re-use and recycling (water, wood, plastic, cardboard, etc.) - Reduce waste generation as much as possible by using reusable containers	- Kg of waste by type - WEEE recycling rate	**2.3.4**
	SOCIAL INFORMATION						
[S1-14]	**Workplace health and safety**	Transport and logistics sectors have high accident rates involving all workers. The risks to employee health and safety arising from activities are examined with operational staff in the context of regulatory documents to draw up appropriate action plans. They especially focus on handling-related risks and traffic accidents.	Poor working conditions could prove dangerous for employees, leading to absenteeism, demotivation, loss of customers, fines or penalties.	- A proactive approach to health and safety issues helps reduce accidents and boosts employee confidence. It is a sales process prerequisite.	- Health and safety policy. - Promotion of physical activity and a healthy lifestyle.	- Lost time workplace accident frequency rate - Workplace accident severity rate - Absenteeism rate - Number of deaths - Number of lost days	**2.4.9**
[S1-13]	**Training and career development**	The sector is a major source of jobs, the skills for which can be acquired through certification and short training courses. It offers internal promotion opportunities.	With the recent and ongoing transformation of logistics professions, including transport, the required skills are changing. The profession lacks appeal.	- Skills development is an essential part of service quality and helps to favour the Group's adaptability. It contributes to the Group's appeal and reduces recruitment costs.	- Skills and career development policy.	- Training hours - Percentage of trained employees - Number of hours of training per trained employee - Percentage of employees having undergone training leading to certification	**2.4.7**
[S1-15]	**Quality of life at work, work-home balance & parenthood**	Good working conditions contribute to employee mental and physical health.	- Poor working conditions can lead to demotivation, absenteeism, lower productivity and quality of service. - Failure to address fairness, diversity and inclusion issues could reduce the Group's ability to attract valuable candidates and provide equal opportunities for all and could lead to legal problems or tarnish the Group's image.	- Improving conditions and quality of life at work leads to the creation of a healthy, appealing and productive working environment.	- Policy in favour of work-home balance and parenthood. - Policy to support those experiencing difficult situations.		**2.4.10**
[S1-2] [S1-8]	**Social dialogue**	Good working conditions contribute to employee mental and physical health.	If employees believe their opinions are not taken into consideration, there would be a risk of demotivation. That could have an impact on the Group's financial performance and appeal.	- Social dialogue contributes to better understanding and the establishment of healthy relations between management and employees, making the company run more smoothly and reducing the risk of industrial action.	- Organisation of social dialogue.	- Proportion of employees covered by employee representatives - Proportion of employees covered by collective agreements	**2.4.5**
[S1-12] [S1-17]	**Diversity, inclusion & the fight against discrimination, respecting Human Rights**	Good working conditions contribute to employee mental and physical health.	Failure to address fairness, diversity and inclusion issues could reduce the Group's ability to attract valuable candidates and provide equal opportunities for all. That could lead to legal problems or tarnish the Group's image.	- An inclusive working environment contributes to the Group's appeal. It creates a cultural basis for doing business.	- A recruitment policy focused on skills and diversity. - Discrimination and harassment prevention policy.	- Percentage of disabled people - Number of ethics alerts	**2.4.11**
[S1-16] [S1-11]	**Fair pay**		Pay (salary, benefits in kind, bonuses), sums paid to employee savings schemes (profit-sharing, etc.) and pension contribution arrangements are all determining factors when choosing jobs. They are also a key employee motivation and productivity factor.	- Fair and equitable pay improves employee performance, employer brand image and loyalty.	- Transparent and fair employee pay policy. - An effective social protection base.	- Number of employee shareholders - Percentage of equity held by employees - Gender pay gap	**2.4.8**
	CORPORATE INFORMATION						
[S2] [G1]	**Supplier relationship management, responsible purchasing**	Direct access to very small businesses and SMEs is preferred. It promotes the value chain and local employment.	The complexity of the transport and logistics value chain (tier 1 and 2 subcontractors, etc.) could generate Human Rights compliance risks. The duty of vigilance must be conducted to guarantee full compliance with regulations and the effectiveness of controls.		- Responsible Purchasing Policy.	- % of transport service providers that have signed the Responsible Purchasing Charter	**2.5.1**
[S3] [S4]	**Customer, consumer and local resident safety**		During transport and logistics activities, the stored, transported and handled products could be damaged, thereby generating risks to the customer and consumer health and safety. With the digitisation of services, a higher level of data protection and consumer privacy is needed to guarantee the confidentiality of the information provided and stored in company databases. The issue will become increasingly important over time.		- Prevention of the potential negative effects of the Group's activities. - Protection of customer data.	- % of ISO 9001, 14001, 45001 certified sites	**2.5.2**
[S3]	**Regional development**	The Group has a high job creation potential in the regions where it operates.	Logistics activities can be poorly accepted by local populations considering their impact on the landscape, local traffic, etc.	- By being attentive to its socio-economic impact on the areas where it operates, the Group enhances its acceptability to local residents, the pride of its employees, and its image. - As part of its territorial responsibility, the Group contributes to job creation and skills development in the areas where it operates.	- Professional integration. - Employee participation in local fire and rescue services. - Support for athletes.		**2.5.2**
	INFORMATION ON GOVERNANCE AND CONDUCTING BUSINESS						
[G1]	**Fair practices**		The Group could not operate without ensuring fair marketing, information and contractual practices with its principals and main subcontractors, and fair competition.	- Sterne Group is committed to long-term, mutually supportive relationships with both its principals and its main subcontractors based on a partnership approach. - The Group's practices allow it to set up lasting relationships based on trust with its principals, customers and suppliers.	- Compliance and ethics system.		**2.6**
[G1-3] [G1-4]	**Fight against corruption and fraud**		Like every economic activity, the Group could be subject to corruption and fraud risks. That would contribute to unfair competition, tarnish its image and could lead to legal action.	- Increased cooperation with suppliers and greater trust from customers.	- Corruption and fraud prevention policy.		**2.6**
[G1-5]	**Representation of interests**			- Contribute to discussions in the sector.	- Contribution to industry professional bodies and think tanks.		**2.6**

2.3 THE GROUP'S COMMITMENTS TO THE PLANET

The logistics sector faces major challenges in an economy focused on growth and the acceleration of trade in goods in response to social imperatives[8] and economic efficiency[9]. Logistics is emerging as a driver of transformation in its ecosystem, playing a central role in ecological transitions.

The Group's commitments and action plans focus on the environmental challenges it considers to be the most significant: combating and adapting to climate change, energy management, preventing pollution, noise and other inconveniences, and contributing to a circular economy.

2.3.1 Climate change

Governance [E1.GOV-3]

STERNE Group's climate strategy is the responsibility of the Managing Director and the QSSE - CSR - ESG Director.

The QSSE - CSR - ESG Department designs and coordinates the reduction strategy and actions. They are based on an identification of the climate risks and impacts.

The strategy is approved by the Supervisory Board and implemented by all operational departments.

The indicator of the Group's total GHG emissions[10] is one of the two indicators included in the conditions for financing the SSL[11] contracted in 2021.

Risks, opportunities and impacts [E1.IRO-1]

Reducing GHG emissions from the logistics and transport sector is a key objective for governments under the Paris Agreements and the United Nations' Sustainable Development Goals.

In France, 86% of goods transport is by road. Heavy goods vehicles and light commercial vehicles emit 13% of national greenhouse gases[12]. GHGs from the transport and logistics sector are emitted mainly during transport, but also by warehouse activities.

States are implementing restrictive regulatory measures for the Group's activities, especially in France and Germany:

- Low-emission mobility zones (LEZ), to protect public health in urban areas,
- Taxes on vehicle weight or on commercial vehicles,
- Taxes on greenhouse gas emissions,
- The obligation to reduce building energy consumption ("tertiary decree" in France).

On the other hand, the development of low-carbon premium logistics makes it possible to develop the repair and after-sales industry in the industrial, automotive, aeronautical and now household appliance sectors.

In that way, **STERNE Group** contributes to the development of the circular economy in the countries where it operates, and to the virtuous development of European industry. The reliability of its services also allow its customers to reduce their spare part stock requirements, and consequently the risk of obsolescence (and destruction) of the stored parts. Lastly, the density and network of its sites means that it can pool the transport needs of its customers on a regional or national basis.

8 - Transport of medical equipment, administrative and legal documents, etc.
9 - Stock management...
10 - Greenhouse gases, excluding STERNE nox
11 - Sustainability Linked Loan
12 - Source :www.notre-environnement.gouv.fr/themes/climat/les-emissions-de-gaz-a-effet-de-serre-et-l-empreinte-carbone-ressources/article/les-emissions-de-gaz-a-effet-de-serre-du-secteur-des-transports

the Group and for its customers.

The CSR department has identified the risks and opportunities associated with climate change in accordance with TCFD recommendations:

Type and nature of risks	Remedial action
Transition risks	
Regulations European regulations especially focus on motorisation and the gradual ban on the use of internal combustion-powered vehicles in urban centres (LEZ). The Group is also subject to the French tertiary decree on controlling energy consumption on its sites.	Climate transition policy aligned with a 1.5° below trajectory validated by the SBTi experts. *(see section 2.3.1 Climate change)* Energy sobriety policy
Technology Innovations in motorisation are gradual and not always adapted to the constraints of rounds. They generate additional costs.	Technology watch and adoption of new motorisations for testing before deployment. Highlighting low-carbon or alternative solutions in requests for proposals.
Market Fuel and energy prices are on the rise. They are a major operating expense item.	Ongoing action to optimise and pool rounds at the core of the business model. Site energy: energy saving and switch to renewable energies Negotiations to share the additional cost of energy with customers.
Reputation Logistics activities are known to generate CO_2emissions, as well as other inconveniences (noise, smells, pollution) in urban centres.	The consolidation and pooling of rounds has a major impact on reducing pollution, while meeting customers' needs (spare parts, documents, prostheses, etc.)
Physical risks	
Acute Flooding and other extreme weather events could impair sites' ability to fulfil their mission. The impact on customers could be substantial as the Group's operations are based on just-in-time delivery. In the short and medium term (0 to 5 years), site mapping shows that only one site in France is at risk of flooding.	The business continuity plan includes the risk of flooding.
Chronic Rising average temperatures can cause discomfort for employees on sites that cannot be air-conditioned.	The risk is mitigated by the high proportion of night shifts.
Opportunities	
Development of pooled logistics solutions with a high potential for reducing the number of miles travelled and therefore GHG emissions. Customer preference for Group solutions.	Na

In the third quarter of 2023, the Science based Target Initiative validated the **STERNE Group**[13] transition plan, materialising its commitment to contributing its fair share to the fight against climate change, with science-based targets.

[E1-1]

Climate change mitigation policy

Using its carbon footprint, the Group has strengthened its commitment to combating climate change by committing to a carbon trajectory that will contribute to limiting global warming to 1.5°C by the end of the century. That trajectory is compatible with the Paris Agreement objectives and with the European Union's "Fit for 55" plan.

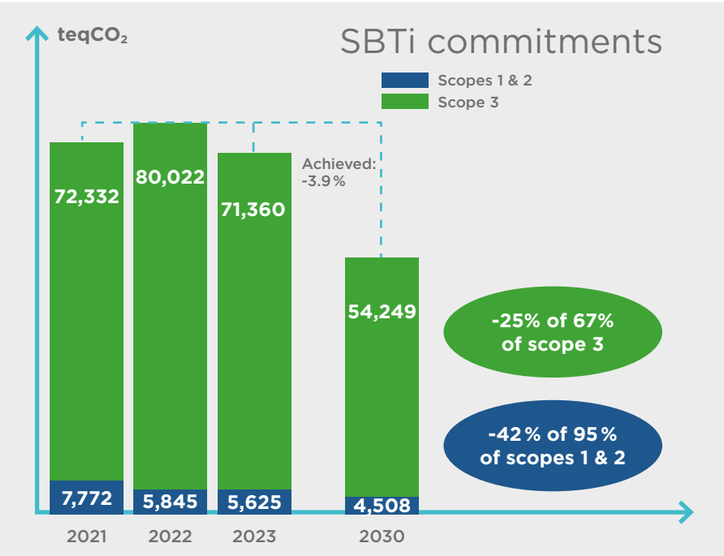
By joining the Science-Based Target initiative (SBTi), the Chairman underlines the Group's ambition to take a leadership position in its sector, and to be an eco-responsible player, a stakeholder in the transformation of the transport sector in general and urban logistics in particular.

The trajectory validated by the SBTi covers the 2021-2030 period for **STERNE France** and **STERNE Time Critical**. The **STERNE nox** Business Unit had not been consolidated when the file was submitted to the SBTi. The Group undertakes to present a trajectory and a transition plan covering the entire perimeter within 4 years in accordance with the rules set out by the SBTi.

The trajectory validated by the SBTi includes:

- A **42 % reduction in scope 1 and 2 GHG emissions.** The commitment covers 95% of scope 1 and 2 emissions.
- A **25 % reduction in scope 3 GHG emissions.** The commitment covers emissions from upstream transport and distribution, i.e. 67% of scope 3 emissions.

At the same time, the **STERNE nox** Business Unit is taking steps to reduce its scope 1 and 2 emissions, and is encouraging its partners to take action to reduce its scope 3 impact.



The Group's low-carbon policy respects the Avoid - Reduce - Compensate principle

AVOID: at the heart of its business model, **STERNE Group** focuses on optimising and pooling rounds. It is stepping up its investments to allow its customers to reduce their carbon footprint while increasing the reliability of the availability of transported items.

REDUCE: the Group is proactively testing low-carbon fuel and motorisation innovations to be a driving force behind the adoption of appropriate technical solutions.

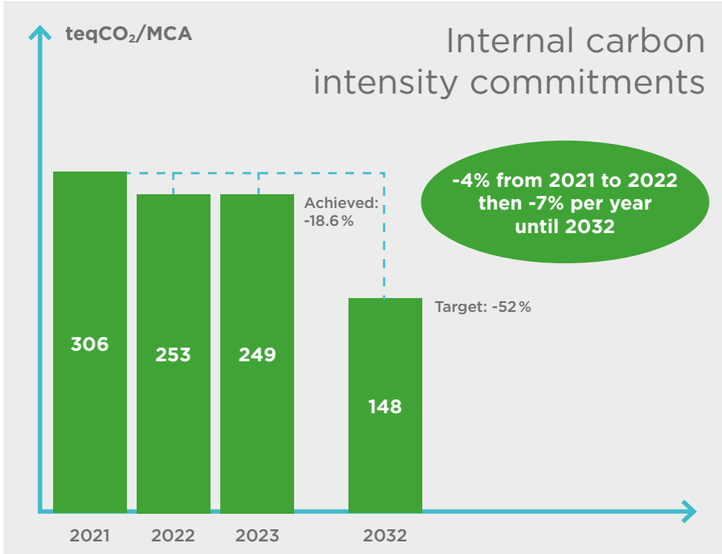
COMPENSATE: the Group offers its customers the opportunity to compensate all or part of their emissions by purchasing energy certificates that promote local initiatives in favour of biodiversity (agroforestry in France).

13 - On the 2022 Group scope, i.e. STERNE France and STERNE Time Critical.

To allow their operational control, the commitments are accompanied by internal objectives expressed in terms of carbon intensity which apply to **STERNE France** and **STERNE Time Critical** :

- **In the short and medium term:** a 4% reduction in the Group's carbon intensity in 2022 compared to 2021, then 7% per year from 2022 to 2032.
- **In the long term:** the annual carbon footprint audit to record the efforts made and monitor the trajectory.

The Group's emissions reduction policy takes into account the urgency of climate change, the technical feasibility of the initiatives, and the associated budgets. It generates a time-based approach making it possible to realistically achieve the decarbonisation targets.



A long standing commitment

2014
- *First electric bicycle*

2018
- *First electric vehicle*

2019
- *First NGV vehicle*

2021
- *First "healthcare" electric cargo bicycle*

2022
- *From 2022, every 6 m³ vehicle at the end of its service life will be replaced by a clean vehicle*

2023
- *26 electric vehicles and 8 hybrid vehicles operated as a clean fleet*

[E1-6]

Performance

In 2021, **STERNE Group** conducted its first full carbon assessment covering all its scopes 1, 2 and 3 and all its activities using the global GHG Protocol methodology.

In 2022, the Ecoact firm supported **STERNE Group** in refining its work and validating its results.

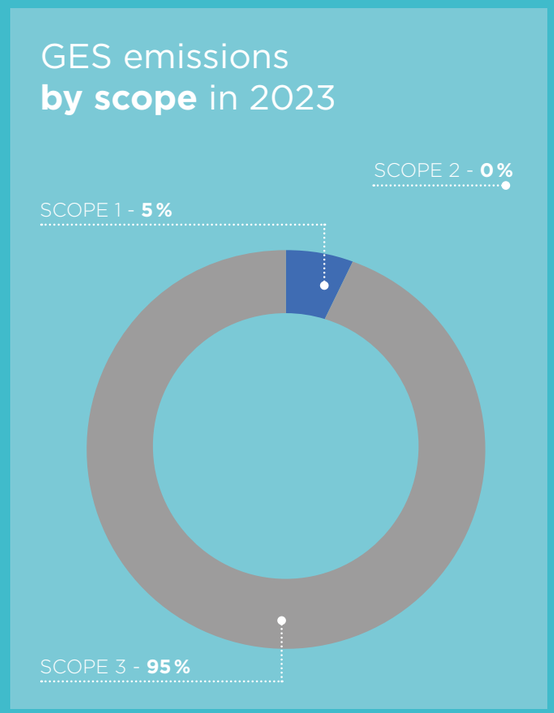
Those measures are needed as an anchor point for the Group's decarbonisation objectives using 2021 as the reference year..

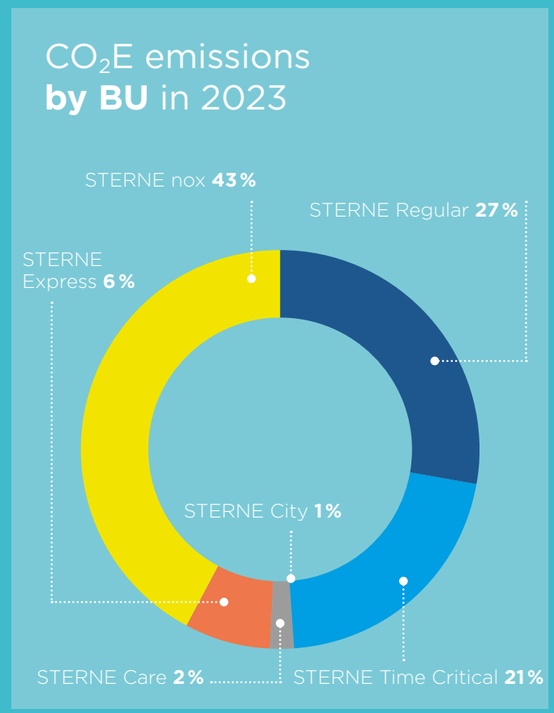
The perimeter is the Group's entire consolidated financial perimeter.

The carbon footprint results are summarised below.

[E1-4]

Group GHG emission variations by scope





Business Unit	2023	2023 on the previous perimeter	2022	2021	23/22 variation on the previous perimeter (%)	23/21 variation on the previous perimeter (%)
Scope 1						
Scope 1 emissions	6884	5552	5778	7704	- 3.9 %	- 28%
Of which: Diesel consumption of owned vehicles	85.9%	98%	99%	99%		
Scope 2						
Location-based emissions	168.33	73.6	67	68	+ 10,45 %	+ 8,2%
Scope 3						
Scope 3 emissions	129788	71360	80022	72332	- 10.8%	- 1.3%
Of which: Cat 4. Outsourced transport	93.4%	91.5%	91%	92%		
Scope 1 + 2 + 3 total	136841	76985	85867	80104	- 10.3%	- 3,9 %

The Group emitted 136,841 tonnes of CO_2eq in 2023, 59.4% more than in 2022. On the previous perimeter, GHG emissions dropped by 10.34%.

Scope 1 emissions increased by 19.2% for the Group due to the integration of **STERNE nox**, but fell by 3.9% if the integration is not included, due to efforts to reduce energy consumption and changes in vehicle motorisations in the clean fleet.

Scope 2 emissions increased by 152% overall, due to the integration of **STERNE nox** , and by 10% if the integration is not included, due to the commissioning of two new sites within the historical scope and their related works.

Scope 3 emissions increased by 62% for the Group due to the integration of **STERNE nox**, and dropped by 10.8% if the integration is not included. The main reason for the changes is mainly due to a change for a more accurate methodology and changes in the motorisations on outsourced vehicles.

Variation in GHG emissions in intensity per million euros of turnover on the previous perimeter

In tCO2e/million € of turnover	2023	2022	2021	2023/2022 variation	2023/2021 variation (%)
Group average *(excluding **STERNE nox**)*	249	253	306	- 1.72%	- 18.6%

Over the 2021/2023 period, the Group's carbon intensity dropped by 18.6%.

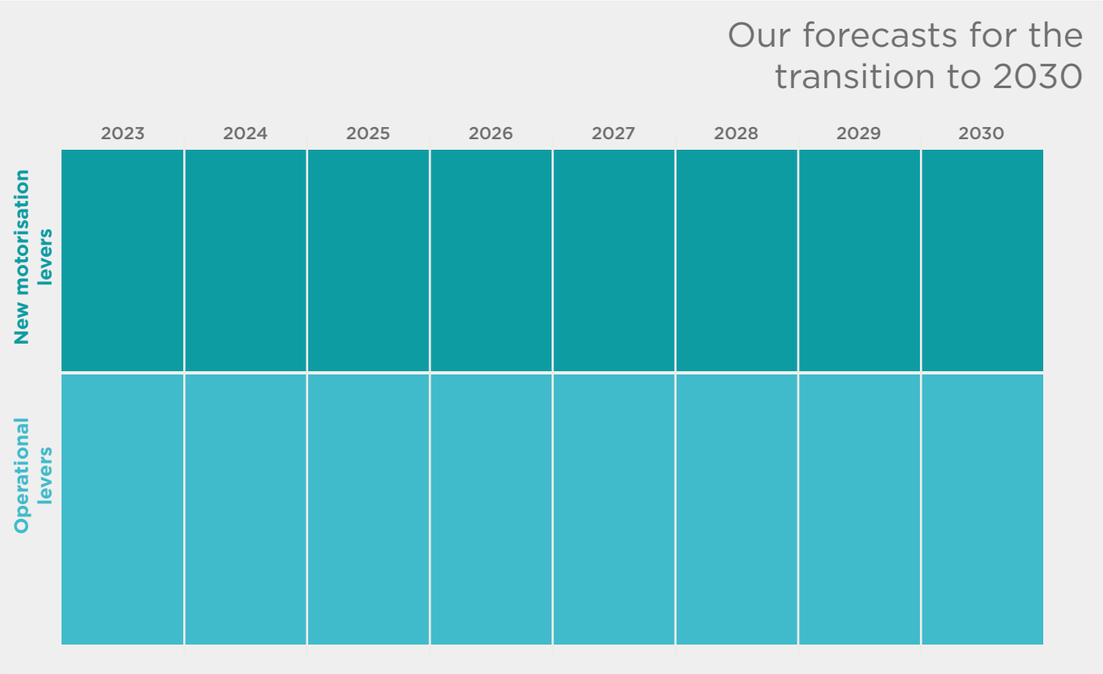
[E1-3]

Contribution of action plans to the transition plan

Summary of action plans by Business Unit

Action plan	Scopes concerned	STERNE France	STERNE nox	STERNE Time critical
#1 - Deployment of a clean vehicle fleet	Scope 1	++	+	++
#2 - Flow optimisation	Scopes 1 and 3	+++	+++	++
#2 - Flow pooling	Scopes 1 and 3	+++	+++	+
#3 - More eco-responsible logistics buildings	Scopes 1 and 2	+	+	+
#4 - Reduction of packaging and rationalised container management	Scope 3	++	++	
#5 - Suppliers' commitment to the energy transition	Scope 3	+++	+++	+
Carbon compensation projects	Scopes 1, 2 and 3	+		

Forecast project deployment calendar



To achieve its carbon reduction targets, **STERNE Group** relies on a set of action programmes detailed below.

Action plan #1
Deployment of a fleet of clean vehicles and adaptation of rounds

At the end of 2023, the Group's own fleet of vehicles consisted of:

- **583 commercial vehicles**
- **including 233 company cars** (139 for **Sterne France** and **STERNE Time Critical** and 94 for **STERNE nox**)

For company vehicles, the Purchasing Department adopted and implemented the following trajectory in 2021[14] :

- **2022**: *100% of new purchases run on unleaded fuel.*
- **2023**: *100% of new purchases are hybrid, NGV or electric.*

For the company's own commercial vehicles, the first rule is to adapt rounds inside ring roads and by-passes to make them compatible with electric or zero-emission vehicles such as cargo bikes. This is because electric vehicles currently have a shorter range than internal combustion vehicles. The policy makes it possible to speed up the transition, with the objective of **using electric vehicles for 100% of trips inside ring roads weighing less than 3.5 tonnes by 2025**.

The clean vehicle policy is tailored to the requirements of each Group business line. Deployed voluntarily, it also depends on:

- regulatory requirements;
- vehicle manufacturers' capacity for innovation. In that respect, the purchase of vehicles with new motorisations is a test to discover their advantages and limitations in live conditions before a more complete roll-out.

14 - By 2021, the entire company-owned fleet was diesel-powered
15 - Synthetic biodiesel from vegetable oils or animal fats
16 - 100% plant-based biodiesel
** Source: Renault Trucks white paper - A smooth transition to electric mobility, road transport - March 2023*

Renewal of the fleet to EURO 6 standards

The Group regularly renews its fleet of motor vehicles to have recent, fuel-efficient vehicles. Since 2021, 100% of new specifications for transport service providers have included motorisation requirements.

In fact, 93.5% of the Group's scope 3 emissions are linked to subcontracted transport.

By the end of 2023, 96% of the Group's fleet and that of its service providers was composed of EURO 6 vehicles. On average, light commercial vehicles are renewed every 3 years and heavy goods vehicles every 5 years.

Electric vehicles and cargo bikes for the last mile in urban areas

The electrification of the fleet is favoured wherever possible, especially at **STERNE Regular** and **STERNE City**. Charging stations are systematically installed in new buildings.

At the end of 2023, the Regular and City BUs were operating their own fleet of 26 electric vehicles (17 for **STERNE Regular** and 9 for **STERNE City**), 53 bicycles, cargo bikes and electric scooters, providing 100% carbon-free transport in urban areas. They perfectly meet the expectations of customers and civil society, as well as the LEZ regulations.

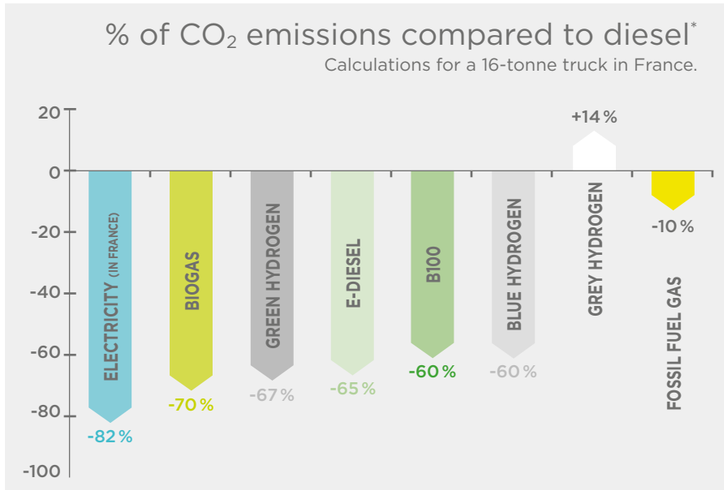
Alternative fuels: a proactive technology watch

Target: *100% of long-distance transport using BioLNG or HVO100 by 2028.*

In 2023, **STERNE Group** continued its test phase on several alternative fuels such as BioLNG (for heavy goods vehicles), xTL/HVO[15] and B100[16] biofuels (for commercial vehicles), in partnership with the fuel distributors. Those fuels reduce GHG emissions over their lifecycle and meet the Low Emission Zones (LEZ) criteria being rolled out in France.

With a view to rolling out those alternative solutions on a wider scale, the Group is working with haulier syndicates such as Union TLF and motorway operators to deploy pumps adapted to these alternative fuels.

The Group is also working with specialist energy schools such as IFP Énergies Nouvelles on research into hydrogen which could become an alternative by the end of the decade.



Healthcare product transport using temperature-controlled cargo bikes

In 2023, STERNE Care launched a vaccine, sample and medication delivery service using three-temperature electric cargo bikes. With a range of 70 km, they are fitted with three thermal containers ranging from -20°C to +8°C, with precise temperature control and product traceability.

The deployment of the "Clean Vehicles" policy depends on the specificities of each business line:

STERNE Regular

The **STERNE Regular** distribution network is national, powerful and scalable. It provides H+ service throughout France with over 1,900 daily rounds almost entirely using recent vehicles (Euro 6) and other electric or GNV14 vehicles. The Business Unit is directly involved in trials of new fuels.

STERNE City

STERNE City has been structuring its environmental approach since 2006. In its business, half the rounds are made by a fleet of company-owned vehicles.

A pioneer in green delivery in Paris, **STERNE City** shares its expertise across the Group and helps anticipate the LEZ regulations. By 2023, 12 French cities will have LEZ regulations, and the French government's aim is to continue rolling out the scheme.

In those zones, the most polluting vehicles identified by the Crit'Air 5, 4 and 3 stickers, may be subject to traffic restrictions.

By the end of 2023, 100% of the vehicles operated by **STERNE City** complied with the LEZ regulations.

STERNE City favours the use of bicycles and cargo bikes, 2 or 4-wheel electric bicycles, LNG and internal combustion vehicles complying with EURO 6 standards.

OBJECTIVE ACHIEVED: ***70% of the vehicle fleet operated by STERNE City is equipped with an alternative energy to diesel.***

STERNE Express

The Group is examining the possibility of acquiring LNG and electric vehicles where substitution is possible and appropriate.

STERNE CARE

At **STERNE CARE**, work has focused on insulating refrigerated vehicles, which significantly improves compressor efficiency and reduces consumption.

STERNE Time Critical

In a business where speed is of the essence, the Group nonetheless applies the Group's vehicle policy to its purchasing with an increasingly clean fleet of vehicles (replacement of vehicles by Euro 6 or LNG motorisations and electric vehicles where appropriate) and in its specifications for service providers.

The possibility of moving to biofuels is under study.

STERNE nox

The **STERNE nox** business unit does not have its own fleet of transport vehicles; all transport is subcontracted. As the transported parts are of large volume (typically parts weighing one tonne), the deployment of the Group's policy focuses on encouraging subcontractors to renew their fleets with Euro 6 standard motorisations. Motorisation criteria are included in specifications or requests for proposals, with the aim of having 100% of internal combustion vehicles to Euro 6 standards by 2024 (24% at the end of 2023, with 76% of the fleet to Euro 6 standards).

For company cars, the Group's policy was rolled out from 2023, with a strong incentive to choose an electric vehicle. This policy is accompanied by an investment plan to install charging stations on the sites within two years. Subsidies are also available to help employees install charging stations in their homes. **The objective is to have 100% electric vehicles by the end of 2025.**

Experiments in live conditions

For a major aerospace customer, STERNE Group is experimenting the use of a fleet of trucks running on B100 biodiesel for its rounds. This experiment in live conditions will allow us to validate the functionality of this decarbonisation lever, in particular to refine the issues of equipment availability and maintenance feasibility. Over the year 2023, the experiment reduced the GHG emissions associated with the round by about 60%. The full results will be available in 2024.

Action plan #2
Trip optimisation and pooling

STERNE France and STERNE nox

The local network

Local networking and synergies between the Group's business lines are key elements in this approach: optimising and pooling flows reduces the distances travelled and optimises vehicle loads.

This know-how is especially effective for managing scheduled rounds. As the vast majority of those trips are at night, they also reduce congestion in towns and cities, saving more fuel.

With the integration of **STERNE nox** in 2023, there are opportunities to position new storage facilities in the border areas between France, Germany and Benelux, and thus pool the needs of major European automotive and aerospace manufacturers.

The contribution of software solutions

The Group's innovation policy is especially focussed on the continuous improvement of round performance. The Group invests in sophisticated software solutions that allow the teams to pre-assign deliveries as close as possible to the pick-up point and optimise pick-up rounds.

In 2023, the optimisation unit finalised the testing of a new digital tool that uses the potential of artificial intelligence. The tool has fully demonstrated its effectiveness and will be rolled out from 2024 ***(see also section 1.9.2 Innovation, a vector for continuous improvement in the service provided)***.

Reverse logistics

Coordinated collection and delivery as close as possible to the customer's location (including in their vehicles) also helps to avoid fuel consumption, both for the Group's teams and for customers.

STERNE's teams are among the only ones to be able to collect goods at the same time as deliveries, halving the number of trips for the same service (e.g. new and used spare parts).

They offer delivery directly to customers', technicians' or sales representatives' vehicles. That saves them a return trip to a warehouse meaning they can start their working day directly.

Co-constructing solutions with customers

In 2023, **STERNE nox** undertook a major review with customers to rationalise packaging volumes. That work should make it possible to better use the space available in delivery vehicles, thereby reducing the number of trips.

STERNE Time Critical

In a business where speed is the priority and groupage rarely possible, **STERNE Group** has implemented a multimodal operational solution to optimise transport flows, including rail, air and road. The 6-strong optimisation unit is in charge of optimising load rates and reducing empty mileage.

Eco-driving training

Driving techniques have a major influence on fuel consumption and therefore greenhouse gas emissions. The Group provides training and distributes an eco-driving guide to all **STERNE Group** employees and partners.

STERNE Group's and its various subsidiaries' objective is to make this driving method more widespread to ensure less energy-consuming and more economical driving. Eco-driving not only reduces the impact on the environment, but also reduces stress, noise pollution and the number of accidents.

Outsourced mail rooms, a virtuous multi-service platform

***STERNE Group** manages 125 mail rooms in France, at the heart of large organisations' incoming and outgoing flows.*

In addition to sorting, processing and distributing mail, which helps to massify volumes, mail rooms are becoming true multi-service platforms that are unique in France. The Group also deploys scanning and archiving services, reducing the number of times documents have to be moved, as 100% of them are processed in situ. The offer saves time, safety and carbon footprint.

Action plan #3
Replacing disposable packaging by reusable containers

For its **STERNE Regular** division, the Group always favours the use of reusable containers in its requests for proposals.

Its experience allows it to select packaging with a 10-year service life with one or two repairs: canvas bags and recycled polypropylene tubs, known as attached lid containers. Over 62% of this packaging can be recycled.

Its 22,000 attached lid containers and 37,000 bags used in 2023 will **save 56 tonnes** of disposable cardboard boxes a year, thereby **avoiding the emission of 3,743 tonnes of eqCO_2e** a year. The production and after-sales service of the bags emit a negligible amount of eqCO_2 compared to the savings (1.4 tonnes eqCO_2/year for a 10-year service life). Furthermore, the containers are easier to handle.

In 2023, the Group initiated an audit and a search for suppliers to replace plastic or disposable packaging by recyclable, biodegradable and/or eco-responsible and reusable packaging.

Action plan #4
Eco-responsible logistics buildings

STERNE Group's property portfolio includes logistics platforms, agencies and pick-up points. The main ecological impact is concentrated on its logistics platforms and agencies.

Which is why the Group prioritises them.

The approach has two parts:

- The choice of electrically heated rather than gas-heated logistics buildings for every relocation or new site.
- By the end of 2023, almost all the **STERNE France** and **STERNE Time Critical** business unit buildings were electrically heated. All the relocations and installations in 2023 resulted in greener buildings in France, China and Romania. Other sites are under study.
- In 2023, the Group equipped several French sites with photovoltaic panels, the project is being studied for the Bordeaux head office as it doubles in size.
- At **nox**, the old gas boilers are gradually being replaced, which reduced their consumption by 15% in 2023 while cutting water consumption by 10%. The property will continue to be refurbished with the landlord's permission.
- The systematic choice of BREEAM very good or HQE very good certified buildings at **STERNE France** and **STERNE Time Critical**, which include systems to reduce the environmental impact of the project from design to completion. For example, that level of certification guarantees that 80% of construction site waste will be recycled or reused. In use, the buildings are optimally insulated, materially reducing energy consumption and heating and air conditioning costs. They also favour natural daylight, thanks to openings in the roofs or façades.

Action plan #5
Green IT and IT for Green

Created by the merger of several entities with their own organisational structures, the Group launched a major plan to optimise its IT infrastructure in France from 2021 to 2023.

Almost a dozen local server rooms have been migrated to a single IT infrastructure spread over two data centres (virtualisation & consolidation).

That organisation made it possible to drastically reduce the power consumption of the IT servers while optimising computing resources and making installations more reliable.

Action plan #6
Suppliers' commitment to the climate transition

The responsible purchasing policy includes a significant environmental part.

The Group encourages its suppliers and service providers to make strategic and operational changes to reduce their carbon footprint.

For example:

- Encouraging subcontractors to choose alternative vehicles to diesel and to use cargo bikes for the last mile by including those criteria in requests for proposals and specifications.
- Supporting service providers by giving them eco-driving training
- Developing **STERNE Group** know-how with subcontractors, in particular its technological watch on motorisation
- Requiring subcontractors to have vehicles with Euro 5 or 6 standard motorisations to be able to drive freely in LEZ areas
- Preferring suppliers with EcoVadis or ISO 14001 certifications. An audit programme covering these energy transitions will begin in 2024.

Action plan #7
Carbon compensation projects

STERNE Group's transition plan aims first and foremost to reduce its GHG emissions.

However, the Group is aware that some of the GHG emissions from its activities cannot be reduced, and is committed to contributing to the global carbon neutrality objective using carbon offset projects.

To make sure those projects are implemented as transparently as possible, the Group targets reforestation or forest creation projects in France. To do that, it offers its customers compensation by creating carbon sinks for between €50 and €80 per tonne.

The carbon offset projects offered to customers since 2023 aim to purchase and manage natural areas in France with the help of recognised Low Carbon label specialists sponsored by the French Ministry of Energy Transition. The purpose is to develop a natural area of wetlands and woodlands to encourage biodiversity.

From a few dozen to several thousand tonnes of CO_2 per project will be captured or avoided alongside environmental, social and biodiversity co-benefits. Furthermore, such projects encourage the employment of people who are being reintegrated into society or who have disabilities by selected local subcontractors.

The Sermaize-les-bains reforestation project

Grand-Est region of France

Surface area: 7.2 hectares

Plantation of poplars, Norway maples, American red oaks and black alders selected for their adaptability to the environment

Planting of fruit trees to encourage biodiversity

Total carbon capture: 2,575 tonnes of CO_2 over 30 years.

Policy to adapt logistics activities to possible climate change-related extreme events

Logistics infrastructures can suffer extreme climatic events (heavy winds, hail, prolonged drought) that could damage them or disrupt their operation. That risk could have significant financial consequences for the Group and its customers considering the disruption it would cause to their operations (lost working days for technicians or healthcare professionals, urgent documents not received, etc.).

The Risk Department therefore includes industrial, natural and pollution risks in its risk mapping for 100% of sites in line with the ISO 14001 standard.

The business continuity plans drawn up for all sites have been strengthened to include climate risk. In 2023, they were refined using the OCARA reference developed by the carbon4 firm which uses 3 criteria: hazard, exposure and vulnerability. In France, only one site has been identified as being at risk of flooding. The assessment is reviewed annually.

Adapting to climate change also means taking climate change into account when designing new facilities, so that better insulated buildings can be chosen to better control variations in indoor temperatures and limit the need for heating or air conditioning, while maintaining employee comfort.

Energy control policy

Energy is a strategic resource for logistics operations. It represents a significant proportion of the costs borne by operators. Controlling energy consumption also makes it possible to reduce the impact of activities on climate change and atmospheric pollution.

The Group takes action on two fronts concerning energy consumption:

- **Fuel consumption**, the reduction of which is the Group's core business. The action plans in that area are detailed in the Climate change mitigation policy section and its 8 related action plans.
- The **consumption and type of energy** used at the sites:
  - **Energy consumption on the sites** (electricity, natural gas or urban heating). This section details the various measures taken to reduce that consumption.
  - **The use of renewables**, where available.

In that context, the Group is fully committed to the energy sobriety initiative launched by the French government by Decree no. 2022-1294 of 5 October 2022.

In that way, it contributes to the European Green Deal which plans for the reduction of fossil fuels, the improvement of energy efficiency, and the reduction in the use of final energy in Europe by 40% from 2019 to 2050.

The Group's energy policy targets a 40% reduction in the energy consumption of Group buildings in France by 2030, and a 10% reduction by 2024 compared to 2021, in accordance with the French tertiary sector decree.

The Group's energy policy is also applied at **nox**, taking into account the local context:

- Reduction of energy consumption by renovating buildings and facilities
- In 2023, the business unit set itself the target of supplying 70% of its sites with renewable electricity by 2024. The target has already been reached, with **70%** of supply coming from renewables at the end of 2023.
- An inventory is also being conducted to identify the possibility of installing photovoltaic panels on roofs to produce the electricity needed to charge the deployed electric vehicles. Experiments are due to start in 2024.
- **nox** is also preparing site energy management certification

[E1-5]

Performance

Evolution of STERNE Group building energy consumption

CONSUMED ENERGY (KWH)	2023	2022	2021	22/23 VARIATION
STERNE France total	**2122523**	**1617983**		***+31%***
Electricity	1878053	1473090		*+27%*
Gas	244470	144893		*+75%*
STERNE Time critical	**782500**	**591900**		***+32%***
Electricity	302477	285863		*+6%*
Gas	480023	306037		*+57%*
STERNE nox total	**8224714**			***NS***
Electricity	2312088	ND		*NS*
Gas	5085678	ND		*NS*
Urban heating	826948	ND		*NS*
GROUP TOTAL	**11129737**	**2209883**	**1295408**	***NS***
Electricity total	4492618	1758953	1758953	
Gas total	5810171	450930	450930	
Urban heating total	826948			*NS*

Evolution of fuel consumption by STERNE Group vehicles (scope 1, expressed in kWh[17])

(KWh)	2023 GROUP	2023 PREVIOUS PERIMETER	2022	22/23 VARIATION (previous perimeter)
GROUP TOTAL	**25464865**	**23414274**	**24683513**	***- 5.1%***

17 - Conversion rate used: litres of fuel x 38.6 (MJ/L of fuel) / 3.6 (MJ to KWh conversion)

We made a lot of progress on the energy front in 2023.

15 of our sites are 100% powered by renewable energy, and we are continuing to replace lighting with LEDs.

Lena RODEFELD
*Quality, Safety and CSR manager at **nox***

Action plan #8
Controlling and limiting energy consumption

Controlling energy consumption in buildings uses a two-pronged approach depending on local conditions:

- In the **STERNE France** and **STERNE Time Critical** Business Units, the choice of buildings designed to minimise energy consumption during operation as detailed in the Climate Change Mitigation section. Throughout the world, the Group gives priority to working with partners who can build or refurbish buildings to HQE or BREEAM standards, as was the case when the Chinese agency was opened.

  With that in mind, the Group is also looking to move out of the most energy-intensive buildings, as was the case in Romania and at several French agencies.

- Changes in collective and individual behaviour described in the Sobriety Protocols distributed throughout the Group. In France, for example, the Business Continuity Plan deployed in all Group agencies sets out the rules and procedures to be followed on premises for the 2022-2025 period:

  - Limitation of heating to 19°C and air conditioning above 26°C,
  - Rationalisation of lighting (both indoors and outdoors),
  - Switching off of electronic devices when they are not in use,
  - Replacement of conventional light bulbs by LEDs,
  - Optimisation of work organisation as part of local industrial relations to encourage work from home, the use of space, etc., especially on days when the grid is under strain.

At **nox**, the replacement of traditional light bulbs by LEDs and the rationalisation of uses resulted in a 14% reduction in electricity consumption in the buildings in 2023.

In 2023, the Purchasing Department also strengthened the site electricity consumption management using the monitoring tool provided by EDF, its French supplier. Consumption data and statistics are used to raise awareness of good practice in our teams and to detect anomalies. The creation of even more accurate readings is under study to support good practice and provide more detailed energy diagnostics.

Similarly, the consumption, maintenance and repair costs of all the vehicles in the Group's fleet in France are monitored by the agency managers and the Purchasing department to rationalise their use.

Action plan #9
Prefer renewable energy suppliers

Wherever possible, the Group chooses to source its electricity from renewable sources. In Germany, for example, sites were supplied with 70% renewable electricity at the end of 2023. Among other things, some sites will gradually be fitted with photovoltaic panels on their roofs, with the landlord's permission.

At **STERNE France** and **STERNE Time Critical**, the contract with EDF guarantees a rate of around 28.6% renewable electricity *(source: RTE-France.com)*.

Action plan #10
Produce carbon-free energy and generate new income

The gradual phase-out of fossil fuels offers both ecological and economic opportunities. As the cost of photovoltaic panels falls alongside support from the public authorities, **STERNE group** has the opportunity to generate new income by producing electricity sold in the form of energy certificates.

Where building structures are compatible, **STERNE Group** intends to install photovoltaic panels on its agency roofs. The installations will be operational in several French agencies in 2024.

The policy has been mandatory for new projects since 2022. A feasibility study was conducted for the Group's headquarters when they were extended.

For historic agencies, the project feasibility is studied case-by-case, either on roof or on external masts.

[E2]

2.3.2_ Pollution

Risks, opportunities and impacts [E2.IRO-1]

- **ATMOSPHERIC POLLUTION**

Local and immediate, atmospheric pollution issues are especially important in urban logistics activities in densely populated areas.

Freight transport is a major emitter of atmospheric pollutants, especially NOx, SOx and fine particles. For those reasons, motorised vehicle traffic through urban areas is increasingly being regulated.

- **WATER AND GROUND POLLUTION**

Water and ground pollution prevention is intended to avoid direct, deliberate or accidental releases of polluting substances into surface water, groundwater and the ground.

Such pollution is harmful to the environment, biodiversity and people's health.

All logistics platforms likely to have vehicle traffic are concerned (diesel or oil spillages, vehicle cleaning, etc.).

The logistics activities most concerned by this issue are the following:

- Bulk liquid storage activities
- Hazardous material storage
- Water-based transport modes (sea, ports, river).

All those activities are marginal for the Group, which has identified water and ground pollution as being of minor significance.

- **OTHER INCONVENIENCES**

In urban areas, these inconveniences include noise, congestion and, to a lesser extent, smells. These inconveniences can be considered to be pollution.

For logistics property (logistics platforms, warehouses), these inconveniences may be linked to their visual integration (integration in the landscape, light pollution). Visual integration is an important issue in the acceptance of logistics property by local residents.

The Group therefore endeavours to control and reduce such inconveniences and their impact on local populations as much as possible.

[E2-1]

POLICIES TO CONTROL EMISSIONS OF ATMOSPHERIC POLLUTANTS AND THEIR IMPACT ON POPULATIONS

STERNE Group's commitment to reducing carbon-based energy consumption both on site and by vehicles (fleet renewal) also has a positive effect on reducing atmospheric pollution.

For example, the Euro 6 standard for vehicles requires a further reduction in limit values of 80% for nitrogen oxides (NOx) and 50% for fine particles compared to the Euro 5 standard. The Euro 5 standard itself reduced the limits for NOx by 20% and for fine particles by 80% compared to the EURO 4 standard.

The aim is to have only Euro 5 or 6 vehicles on the road by 2026. At the end of 2023, that rate was 94.2% for the Group's own fleet and 99.8% for the Group's outsourced fleet.

Owned operated fleet

% of Euro 5 or 6 vehicles	2023	2022
STERNE France	92.5%	94.6%
STERNE Time critical	96.7%	93%
STERNE nox	100%	na

Outsourced fleet

% of Euro 5 or 6 vehicles	2023	2022
STERNE France	94%	100%
STERNE Time critical	100%	nd
STERNE nox	98.8%	nd

ACTION PLAN

The Group's systematic fleet vehicle renewal policy, both when purchasing and subcontracting, has resulted in the almost complete elimination of vehicles prior to EURO 5. That trend is accelerating with LEZ regulations being taken into account.

POLICY FOR CONTROLLING THE RELEASE OF LIQUID POLLUTANTS INTO WATER AND THE GROUND

Pollution control is provided by:

- A formal and controlled prohibition of all deliberate releases by Group processes.
- A pollution kit *(see 2.3.7 Protecting biodiversity below)*.

0

water and ground pollution incidents in 2023

100 %

ISO 14001-certified sites, including procedures to control water and ground pollution

POLICY FOR CONTROLLING OTHER INCONVENIENCES

Inconveniences are minimised by a number of factors:

- The use of vehicles sized as closely as possible to needs and equipped with recent or even electric motorisations. The Group conducts regular noise pollution checks on its vehicle fleet. A study of the deployment of electric vehicles which will eliminate noise pollution at night is ongoing.
- Deployment of a fleet of cargo bikes to cover the last mile in city centres
- As most of the activity is at night, it avoids increasing traffic congestion,
- Deliveries and loading are fast and generate little noise.
- When a new platform or warehouse is installed, the integration of the site into the landscape is included in the specifications.

[E4]

2.3.3_ Biodiversity and ecosystems

Risks, opportunities and impacts [E4.IRO-1]

Ecosystems contribute to the development of resources useful to society, to the richness of our environment, and to the absorption and processing of certain types of man-made pollution.

Safeguarding and developing them is therefore of paramount importance. Maintaining biodiversity is a major challenge for the future. The company must make sure its activity does not contribute to the disappearance of species or natural or agricultural areas.

The international ENCORE knowledge base assigns the following impact factors on biodiversity to the logistics sector:

- Greenhouse gas emissions,
- Atmospheric pollutants,
- Disturbance caused by noise and artificial light at night,
- Soil sealing, which is detrimental to the water cycle. Logistics facilities and buildings (warehouses, bulk storage, car parks, loading or intermodal transfer areas, etc.) can also have an impact on areas rich in biodiversity because of their footprint on the land.

The risks to the Group and its impact are limited at present, as the sites pre-existed the Group's activity and are located in urban areas. They are therefore not covered by the European Zero Net Artificialisation regulations.

[E4-5]

None of the Group's sites are located in Natura 2000 zones, protected areas or key biodiversity zones.

[E4-2]

BIODIVERSITY AND ECOSYSTEM PRESERVATION POLICY

Sterne Group undertakes to respect legislation protecting biodiversity and combating the deterioration of all types of ecosystem, whether natural, agricultural, forestry or human.

It is aligned with the European Union's Biodiversity Strategy 2030 objectives, and contributes to the following objectives in particular:

- **the protection of 30% of the world's land and oceans:** to date, none of Sterne Group's agencies are located in or near key biodiversity areas and all the sites are certified to the ISO 14001:2015 standard.
- **the prevention and reduction of plastic pollution** through its reusable container solutions and waste recycling policy,
- **the generalisation of agricultural-ecological practices**.

The fight against climate change and its corollary, the fight against atmospheric pollutants, are the subject of ***policies described in sections 2.3.1 and 2.3.2***.

When the Bordeaux headquarters were extended, special care was taken to respect the environment: we prioritised the preservation and refurbishment of the existing building, 100% of the site waste was processed, and we added facilities to facilitate soft mobility and electric vehicle charging stations.

Ingrid BIHEL
Purchasing Coordinator

[E4-3]

ACTION PLAN #1
LIMIT THE DESTRUCTION AND DETERIORATION OF NATURAL ENVIRONMENTS TO A MINIMUM

The Group has mapped its sites, none of which are located in Natura 2000 zones, protected areas or high biodiversity value zones. For new deployments, impact studies are carried out in accordance with regulations which may impose compensatory measures where appropriate.

The Group strives to manage the areas it occupies in such a way as to protect local species and their habitats. For example, it practises eco-grazing on one of its sites and prefers low-maintenance indigenous species for the green spaces surrounding its logistics buildings.

Furthermore, the Group's processes are governed by ISO 14001 certifications for all its activities, and the Group takes care to control and limit its pollutant emissions whether accidental or diffuse.

Every agency has a pollution kit. They are used to contain accidental pollutant spillages and to clean them by absorption so that they can be processed by the appropriate sector.

ACTION PLAN #2
PROMOTE ACTIONS TO RESTORE BIODIVERSITY

To offset the loss of biodiversity resulting from its activities, the Group initiated several projects in France over the 2023 - 2024 period which include:

- The creation of refuges by creating wetlands and hedgerows to encourage native birds,
- The production of bird nesting boxes is under study for installation on sites by a social integration organisation (ESAT) in 2024.

[E5]

2.3.4_ Circular economy, including waste management

Risks, opportunities and impacts [E5.IRO-1]

As a service company, the Group does not generate large quantities of additional waste. Packaging is opened at the customer's premises when the products are used. Nevertheless, that packaging waste can become a resource if it is recovered, reused or recycled. Which is why the Group offers its customers a comprehensive offer that includes the collection of the packaging to massify and recycle it.

Some consumables used during operations (pallets, packaging, film, cardboard) have a limited lifespan. They require energy to shape and transport them. Their destruction causes pollution, regardless of whether they are incinerated or landfilled. It is costly for customers.

The waste issue also concerns the Group's equipment such as its used parts, vehicles, IT hardware and the life of its buildings. In addition to their ecological impact, all those resources are expensive to purchase and to dispose of.

Performance

Type of waste (in tonnes)	2023 New perimeter	2023 Previous perimeter	2022	2021	23/22 variation on the previous perimeter (%)
Wood	1169	290	296	337	-2 %
Paper - Cardboard	894	420	539	679	-22 %
Plastic	220	188	238	270	-21 %
Household waste	514	132	117	57	+12%
WEEE	2.73	2.73	4.38	1.35	-37.7 %

The gradual use of the Waste Marketplace waste-sharing platform will increase the amount of recorded waste.

Waste from 12% of sites on which 23% of employees work is collected and recycled by Waste Marketplace which provides the actual data. On the other sites, the waste volumes are extrapolated on that basis[18].

Our efforts to reduce packaging have paid off, with volumes of paper, cardboard and plastic cut by over 20%. Such accounting makes it possible for us to raise team awareness to prepare specific action plans and improve the recycling rate, which averages over **79%** over the year.

Policy to encourage re-use and recycling [E5-1]

Optimising the service life, reuse and recycling of raw materials limits their impact on the environment. Which is why the Group mobilises its employees to encourage a circular economy through simple everyday gestures by:

- Minimising waste generation
- Encouraging reuse (water, wood, plastic, cardboard, mobile phones, etc.)
- Promoting waste recycling

The Group favours the 5R rule hierarchy but the solutions differ depending on the nature of the issues using appropriate action plans.

[E5-2]

ACTION PLAN #1
REDUCE WASTE GENERATION TO MINIMUM BY RE-USE

Using reusable containers (polypropylene bags and crates) instead of disposable packaging (cardboard boxes) is perfectly in line with the principles of the circular economy: not only does it save resources and avoid greenhouse gas emissions, it also optimises the service provided.
(see also section 2.1.3 Climate change, Action Plan #3)

Indeed, standardised polypropylene crates can be used to increase loading capacity and secure goods by more effective blocking. They are used for reverse logistics in e-commerce, and in healthcare (laboratories and dentists).

The bags are mainly used to transport documents in the tertiary sector, but could be extended to transporting any small items in the near future.

For customers, reusable containers reduce the cost of processing cardboard waste, making them a key area for growth.

For employees, the fact that they have handles makes them more ergonomic.

18 - In 2022, waste volumes were estimated based on ADEME sector data.

ACTION PLAN #2
ENCOURAGE WASTE RECYCLING

Waste electric and electronic equipment (WEEE or W3E) is waste composed of electric or electronic products at the end of their service life. The end-of-life of such equipment is a major societal issue:

They have a short service life (3 to 5 years for a computer, 3 years for a smartphone, 4 to 5 years for a tablet, over 5 years for a printer or mouse);

Their production requires large quantities of metals, some of which are rare or not easily accessible. Extracting such materials causes major environmental and social damage.

STERNE Group has always had a rigorous WEEE recovery and recycling policy. It is dealt with at the local level in partnership with the local authorities.

In 2022, wishing to make a greater commitment to the processing of this equipment, **STERNE Group** began working with Waste marketplace, which will be its main partner for WEEE recovery.

The partner makes it possible for WEEE from several operators to be centralised on a single site in Bordeaux, thereby reducing the greenhouse gas emissions associated with their transport. Waste Marketplace also calculates the exact quantity of rare metals consumed in the electronic devices used for the Group, and provides better recycling traceability.

At the end of 2023, **STERNE Group** inaugurated a new recycling channel in partnership with the Emmaüs Connect non profit organisation. The equipment is centralised in Bordeaux and donated to the organisation. The devices will be repaired or recycled by people on social reintegration schemes.

	2023	2022	2021
WEEE recycling rate	100 %	100 %	50 %

Office and site consumables

A Group-wide waste management procedure is in place for the recycling of office consumables and small items of equipment.

Thus, every employee knows the sorting instructions and the appropriate waste container.

Batteries, light bulbs and neon lights are collected and deposited by the General Services manager on each site in the designated areas for end-of-life processing.

Ink cartridges are collected and returned to the service provider for re-use.

The actions depend on the existence of local recycling channels: in Germany, the emphasis is on paper recycling.

[S1]

2.4 GROUP COMMITMENTS ON SOCIAL ISSUES

As a Mission-driven company, **STERNE Group** aims to meet major social and environmental challenges with a virtuous business model, offering eco-responsible, innovating, high added value logistics services. It has high ambitions in terms of growth and economic performance. As a service company, the commitment and motivation of its employees are the main driving force behind its growth. From the outset, it has sought to foster a culture of collective action, and to do everything in its power to attract and retain talent by promoting their development, diversity, inclusion and safety. Its human resources policy reflects its commitment to people, sustainability and ethics.

To maintain and develop those strong values, in 2023, the Group's Human Resources Department structured its actions around **3 priorities**. They were adapted to local cultural contexts, but their spirit was kept.

1. APPEAL & COMMITMENT
TO OUR EMPLOYEES, TO SUPPORT THE CORPORATE PROJECT

Against a backdrop of strong growth and transformation, employee motivation and their capacity to deliver customer service is an absolute priority.

- Quality of life at work (2.4.10),
- Physical and mental well-being (2.4.9)
- Training and skills development (2.4.7)
- Mobilisation in decision-making (2.4.5)

2. SUSTAINABILITY & SOCIAL RESPONSIBILITY

Every day, the Group deploys its action plans in favour of virtuous practices with a social or environmental impact at the heart of its objectives and concerns as a Mission-driven company.

- Sustainable mobility (2.4.10)
- Ethics and corporate responsibility (2.6)

3. CORPORATE CULTURE & INNOVATION

True to its inclusive culture DNA, the Group nurtures the involvement and commitment of all by promoting our shared values of solidarity, sharing and innovation. Responsibility also means building relationships based on respect, loyalty and transparency.

- Fairness, diversity and inclusion (2.4.11)
- Continuous and participative innovation (2.4.5)
- Transparency and information sharing (2.4.5)

As a Mission-driven company, we have high ambitions and responsibilities: to commit to our employees, to allow them to play a part in CSR on a daily basis, and to cultivate our inclusive company DNA.

Marie-Christine ARGUEIL
Group Human Resources Director

[S1.SBM-3]

2.4.1_ Governance

Group human resource orientations are determined and directed by the Human Resources Department in collaboration with the Business Unit Departments, and then validated by the Executive Committee.

The guidelines are then implemented in the various agencies and Business Units, **STERNE France**, **STERNE Time Critical** and **STERNE nox**.

STERNE France, **STERNE Time critical** and **STERNE nox** face similar challenges: attracting and retaining talent in a difficult employment market, and ensuring the safety of individuals and upgrading skills. The homogeneity of our professions means that we need to develop a global vision while organising local support for our teams.

Given the diversity of its sites spread over several territories, the Group has opted for local team and manager support by appointing local human resource managers for each geographical area. That approach allows us to provide support tailored to the specific needs of the teams and to be more responsive thanks to a better understanding of local issues. In 2023, the **STERNE Time Critical** local HR team was strengthened to deploy Group policies as closely as possible to needs.

In 2023, the Group structured the integration of the **STERNE nox** teams in two stages:

- Firstly, the deployment of reporting and indicator monitoring tools to centralise policy and effectiveness monitoring. That stage was completed at the end of 2023, except for Austria, Belgium and the Netherlands, which are subject to specific integration processes that will continuing into the first quarter of 2024.
- Secondly, a dialogue to mobilise nox teams around the Group's values and priorities, while adapting them to local cultures. That dialogue has already led to the alignment of many action plans and policies which are detailed in this chapter.

The Human Resources team at headquarters oversees the implementation of the policies in three main areas:

- administrative management, including payroll,
- human resource development,
- coordination of local human resources managers.

It also manages industrial relations.
The Group has introduced increasingly digitised, well-structured and resilient human resource management procedures and tools. Those tools simplify the standardised processing of data, increase its reliability, guarantee effective control and facilitate the rapid implementation of policies.

Tools adapted to the Group's high growth

The Group has introduced increasingly digitised, well-structured and resilient human resource management procedures and tools. That part was strengthened in 2023 to meet the requirements of a doubling in size with the roll out of a new HR Information System (HRIS). Those tools simplify standardised data processing, increase data reliability and security, and guarantee effective control. Furthermore, they facilitate the rapid implementation of policies by giving employees access to their own data.

In countries in which the information system has not been integrated yet, relations are established through direct exchanges with management. The philosophy and objectives of the policies remain consistent throughout the Group. The Group' information systems are constantly evolving to continuously optimise the processes.

19 - All corporate indicators are calculated at year-end based on the workforce numbers.

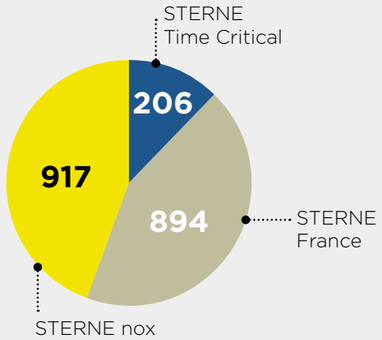
20 - The turnover rate is calculated as follows: number of employees on permanent contracts who left their jobs voluntarily or due to redundancy, retirement or death during their employment/total number of employees at the end of the period. Differences in legislation mean it is only possible to calculate the employee turnover rate according to the ESRS S-1 standard for STERNE France and STERNE Time Critical.

[S1-6]

2.4.2_ Workforce characteristics

On 31 December 2023, the Group had 2,017[19] employees in 10 countries.

Breakdown of workforce by Business Unit



Geographical breakdown of workforce

	2023		2022	
	Number	%	Number	%
France	1,060	52.5 %	1,001	95.1 %
Germany	894	44.3 %		
Benelux*	nd			
Austria	nd			
Other (Poland, Romania, China, Morocco)	63	3.1 %	52	4.9 %
TOTAL	2,017	100 %	1,053	100 %

** The Benelux countries and Austria are subject to specific integration processes that were not complete on 31 December 2023, and their workforce is therefore excluded from the 2023 reporting.*

Turnover rate

In a market environment that varies from one region to another, the Group is constantly adapting its skills and human resources to innovate, strengthen its competitiveness, and accelerate its service offering in the regions where it operates.

STERNE France and STERNE Time Critical perimeter	2023	2022
Departures of employees on permanent contracts	103	218
New employees on permanent contracts	130	204
Turnover rate[20]	9 %	19 %
STERNE nox perimeter	**2023**	**ND**
Departures of employees on permanent contracts	162	nd
Departures of employees on permanent contracts	101	nd
Turnover rate[20]	18 %	nd
Group perimeter	**2023**	**ND**
Departures of employees on permanent contracts	265	nd
Departures of employees on permanent contracts	231	nd
Turnover rate[20]	13 %	nd

Initiatives intended to improve the appeal of our professions, build loyalty and strengthen our employer brand have helped to improve our retention rate.

Breakdown of workforce by type of contract

The vast majority of Group employees have permanent contracts (81%) and work full-time (90%).

	WOMEN	MEN	TOTAL
No. of employees	565	1,452	2,017
%	28 %	72 %	100
Number of permanent employees	509	1,240	1,749
% of employees	90 %	85.4 %	86.7 %
Number of full-time employees	464	1,324	1,788
% of employees	82.1 %	91.2 %	88.6 %
Number of part-time employees	101	128	229
% of employees	17.9 %	8.8 %	11.4 %

Breakdown of workforce by gender

[S1-09]

The low proportion of women in the workforce can be explained by the low proportion of women in the sector and by how work is organised, with most of the operating teams working at night. As employee classifications are not the same in France and Germany, the change in ratios is not significant.

	2023 NEW PERIMETER		2023 PREVIOUS PERIMETER		2022	
Women	565	28%	326	29%	305	29%
Women in senior management (% of managers)	64	21.2%	41	22.5%	49	29%
Men	1,452	72%	797	71%	748	71%
Men in senior management	238	78.8%	141	77.5%	120	71%

Breakdown of workforce by age group

The age pyramid is similar in France and Germany.

	2023 NEW PERIMETER	2023 PREVIOUS PERIMETER	2022
Under 30	18.3%	19.9%	16.7%
Between 30 and 50	49.3%	48.5%	50%
Over 50	32.4%	31.6%	33.2%

[SBM-3]

2.4.3_ Risks, opportunities and material impacts

STERNE Group is made up of 2017 men and women who form multicultural teams working in a wide range of professions: operational, commercial and support functions, all of which are experiencing recruitment difficulties. Most employees work in office or sedentary jobs, with around 15% of the workforce employed as drivers. These professions are often little-known and suffer from an image deficit that does not reflect the ongoing transformation.

While human rights, quality of life at work, inclusion, training, pay, and health and safety issues are material for all employees, the impacts to be taken into account differ from one trade to another. For example, drivers and sales staff are more likely to be involved in traffic accidents. The Group therefore deploys common Group policies by adapting action plans to the reality in the field. Details of the risk assessment are set out in the French Regulatory Risk Assessment Document (DUERP), which is presented to staff representative bodies in France and Germany every year. The categories of positions most impacted by the risks are detailed in each section of this chapter, together with the positive effects of Group actions.

The plan to reduce carbon emissions has a major impact on the Group's workforce insofar as it is at the heart of the Group's mission and requires it to develop strong expertise in that area across all its professions. A team is directly dedicated to reducing the carbon footprint by optimising and pooling rounds.

In terms of opportunities, the transport and logistics sector is a formidable vector for professional integration. It provides many job and career opportunities accessible to all levels of qualification and to people who have been out of work for a long time.

[S1-1]

2.4.4_ Policies

Against this backdrop, the Group's policies structured around 3 key areas aim to address the following challenges:

- Attract and retain talent whose work expectations have changed, given that the Group operates in a high-growth sector and a difficult labour market.
- Guarantee well-being at work, promote inclusion and combat all forms of discrimination.
- Enhance skills to ensure the employability of staff and stimulate the Group's growth, with a particular focus on mastering regulations, digital skills and obtaining professional certifications.
- Cultivate loyalty and support employees and managers throughout their careers.
- Care for the mental and physical health of employees.
- Ensure the harmonious on-boarding of employees from acquired companies by promoting and applying the same values and principles as those existing in the Group.

[S1-2] & [S1-8]

2.4.5_ Organisation of social dialogue

Social dialogue has an essential role in creating mutual understanding and establishing healthy relations between management and employees, thereby promoting the fluidity of the company's operations and reducing the risk of industrial action.

Such dialogue not only encompasses formal consultations, but also the informal discussions that are part of the decision-making process. The Group is committed to promoting such discussions and building them into organisational structures that encourage active listening. In particular, the Group is setting up processes to listen to employees so that changes can be anticipated, and the changing expectations of new generations, including their perception of work, are understood. That is materialised by annual interviews, and interviews at the request of employees.

Involvement of employees in decision-making and innovation

The Group is committed to open communication to share its vision, objectives and performance with employees, and to promoting discussions on economic and social issues in the company.

The dialogue is based on negotiations, consultations and exchanges of information between employers, managers and employees. Social dialogue bodies are designed to actively involve employees in discussions that influence decisions taken inside the company. Social partners and managers also receive information in the form of the **STERNE News** newsletter, for distribution to the teams.

Develop employee contribution to innovation

In 2023, two Business Units tested a system designed to encourage innovating ideas. The allocation of bonuses is shared transparently with the social partners.

For example, for this first edition, one employee was rewarded for having developed an application to improve the performance of a hand-held scanner, another for having improved a round thanks to their experience in the field. Those improvements can then be replicated in agencies, or at the regional or Group level.

In 2023, the challenge took on a new dimension, with investment in two areas:

- Expansion of the digital payslip channel giving all employees access to information without having to ask their managers. The new HR information system also allows employees to manage their paid leave directly.
- Encourage employee feedback. The Group especially wants to encourage employees to contribute to innovation.

Coverage by collective agreements S1-8

	2023 NEW PERIMETER	2023 PREVIOUS PERIMETER	2022	2021
Percentage of employees covered by employee representatives	100%	100% (EEA only)	78.9%	73.8%
Percentage of employees covered by collective agreements	100%	100%	93.8%	No data

[S1-2] & [S1-17]

2.4.6_ Human rights commitments

Protection of essential rights

The Group's policy is intended to guarantee a fair and respectful relationship between employer and employees in line with the fundamental principles of the International Labour Organisation and reinforcing the applicable legislation, regulations and collective agreements in the countries where it operates.

The policy respects the economic, social, civil and political rights of staff and is based on the following points in particular:

- Ensuring that the work carried out complies with the legal framework of the applicable statutes.
- Eliminating forced labour and child labour.
- Promoting stable employment, including the sustainability of employment contracts.
- Eradicating all forms of discrimination between employees with the aim of providing equal opportunities and equal treatment, especially in terms of gender.
- Protecting employees' personal data and privacy.

System [S1-17]

The Group has implemented processes and mechanisms to monitor compliance with:

- The United Nations Guiding Principles on Business and Human Rights.
- The ILO Declaration on Fundamental Principles and Rights at Work.
- OECD Guidelines for Multinational Enterprises.

All its instruments are aligned with the relevant internationally recognised references.

1. The policies include awareness-raising measures to inform employees on the signs of human trafficking, as well as clear protocols for reporting any suspicious activity. Regular staff training and collaboration with specialist organisations reinforce this prevention.

2. Group policies demand an absolute ban on forced or child labour. They are supported by monitoring mechanisms to make sure all employees are hired voluntarily and that they work in conditions that respect their fundamental rights.

   They include employee age checking mechanisms and educational and awareness-raising programmes to make sure children have access to education instead of working.

3. Regular automated internal checks are carried out to assess suppliers' documentary compliance with ethics standards, including human trafficking, forced labour and child labour.

Sanctions are clearly defined for non-compliance with the rules on human trafficking, forced labour and child labour.

The system allowing employees to report a number of alerts relating to human rights (harassment, discrimination, etc.) is described in ***section G1. 2 Alerts*** were recorded and processed using the system in 2023 in accordance with the planned internal process.

The Group had no fines, penalties or compensation to pay in 2023 for human rights issues (forced labour, human trafficking or child labour).

[S1-13]

2.4.7_ Training and career development

Risks, opportunities and impacts

In logistics, where operations are closely linked to the physical flow of goods, the central role of labour is undeniable. The Group's success is intrinsically linked to the contribution of its staff.

The required skills are evolving to meet the new challenges and changes in the logistics and transport professions, especially its environmental impact which calls for specialised expertise and sought-after profiles.

The criticality of the issue is heightened by the lack of appeal among the younger generation for certain logistics jobs, especially truck driving. Advances in digital technology, automation and the use of robots have a major impact on warehouse operative tasks. The Group must ensure that their skills and employability are maintained.

The Group is therefore committed to ensuring its appeal and promoting the professional development of its employees. It strives to be attentive to their expectations while encouraging their employability, which is a proactive response to changes in the sector.

Furthermore, the sector is still a major source of jobs requiring few qualifications, and which can be acquired through certifications and short courses. In that way, it contributes to the development of local jobs that cannot be relocated, that are accessible to people with few qualifications or who have been out of work for extended periods, and offers them perspectives for internal promotion.

Appeal, recruitment and employee on-boarding policy

The Group is committed to guaranteeing its appeal and promoting the professional development of its employees. It strives to be attentive to their expectations while encouraging their employability, which is a proactive response to changes in the sector.

ACTION PLAN #1
DEVELOP THE GROUP'S VISIBILITY AND APPEAL

The Group is strengthening its brand awareness and appeal by highlighting its dynamic growth, the career opportunities it offers, and the optimal, multicultural and inclusive working environment it provides.

A career opportunity website can be accessed from the Group's website:

www.groupe-sterne.com/fr/careers/

STERNE Group favours open communication to share its vision and be transparent about its performance. The publication of the **STERNE news** newsletter in France, which is sent to managers and social partners, comes with a calendar of monthly meetings and reports for communication to employees.

At the end of 2023, the Group strengthened its internal communication tools to reach all employees through a direct channel using the digital portal used to distribute electronic format pay slips.

The Group's corporate culture and its commitment to sustainable development make a significant contribution to its appeal, especially to young people, while strengthening employees' pride in belonging to the Group. To broaden its recruitment opportunities, the Group takes a proactive approach to interns and work-study programme students.

ACTION PLAN #2
DEPLOYING RECRUITMENT TOOLS AND EFFECTIVE EMPLOYEE ON-BOARDING

The Group has introduced similar recruitment and on-boarding procedures and tools in all the countries where it operates. The internal reference system details the job profiles and skills required, and advertisements are written in such a way as to prevent any form of discrimination, focusing exclusively on the skills and experience required.

The online recruitment platform makes it easy to manage a large number of recruitment processes simultaneously, especially when new agencies are created.

The crucial stage of on-boarding new staff is carefully orchestrated to guarantee a quick and efficient start, and a successful experience from the outset.

During the process, a mentor is assigned to guide the new employee in familiarising him or herself with the work environment. The mentors present the Group, its offer, its values, its methods and processes. Furthermore, they coordinate meetings with the teams and supervise agency visits.

The creation of a dedicated HR team for **STERNE Time Critical** in 2023 helped ensure that the processes run smoothly by responding to the specific nature of the business unit's activities.

Skills and career development policy

In a constantly changing sector, it is imperative for the Group to constantly improve its employees' skills in order to:

- Better meet customer expectations,
- Encourage team motivation and commitment by making sure their needs are met to contribute to their personal development and professional advancement,
- Improve their performance and guarantee their long-term employability.

To meet those challenges, the Group implements a number of initiatives:

ACTION PLAN #1
SUPPORT EMPLOYEE CAREER DEVELOPMENT

Employees have professional interviews that are meticulously monitored by the central HR team that go much further than the statutory annual interviews. The discussions include specific interviews such as "seniors" interviews, those at the end of probationary periods, and when employees leave or return from maternity, adoption or parental leave.

Those discussions provide an opportunity for employees and their managers to take stock of activities, objectives and career aspirations.

The Group's priority is also to encourage internal promotion, a generator of loyalty. It is supported and encouraged, as it allows employees to acquire new skills, and to capitalise on the Group's expertise.

Job opportunities are published in **STERNE News** and posted in the agencies so that everyone can apply fairly.

ACTION PLAN #2
PROPOSE APPROPRIATE TRAINING AND DEVELOPMENT SCHEMES

The Group offers its employees a diverse range of training courses designed to acquire or enhance their skills. It draws up a training budget and plan that takes into account every entity's resource requirements. Those needs are particular linked to changes in regulations (CACES18, FCO19, etc.), technological advances (electronics, increasing computerisation, etc.) and the need to include sustainable development concerns.

The Group has drawn up an inventory of the skills needed by the company, taking into account the employee age pyramid, the staff turnover rate, technological developments and the company's evolving needs.

Acquiring foreign language skills, especially English, has become increasingly essential. In-house GDPR and CSR training is also provided for all employees.

In 2023, the focus was on:

- cybersecurity, with an e-Learning platform making it possible to train as many people as possible,
- health and safety, with a focus on road safety for drivers and sales representatives, as traffic accidents are the main cause of lost work days
- the use of IT equipment,
- the handling of hazardous substances (ADR)

Specific training plans can be drawn up for specific groups (sales representatives, managers, operational staff, support services, etc.) depending on changes to regulations or the arrival of new missions. A communication and information programme has been set up to inform about schemes that allow people to gain higher qualifications such as the Professional Experience Validation scheme (Validation des Acquis de l'Expérience (VEA)), skills assessment and the Professional Training Account (Compte Personnel de Formation (CPF)).

In Germany, the Group is committed to developing its employees' basic skills such as mastery of the German language for employees who have recently arrived in the country.

S1-13	2023 NEW PERIMETER	2023 PREVIOUS PERIMETER	2022	2021
Hours of training	6,576	4 444	4 216	4 593
Percentage of trained employees	34.7 %	39 %	71.3 %	33.6 %
Average number of training hours per trained employee	9.4	10.19	5.6	12
Percentage of employees having undergone training leading to certification	7.4 %	0	50 %	34.7 %

The training plans are organised into two-year cycles, with 2022 being the launch year for the programme, with a high completion rate.

2.4.8_ Transparent and fair pay

[S1-16] & [S1-11]

Risks, opportunities and impacts

Pay, including salary, benefits in kind, bonuses, employee savings schemes (profit-sharing, incentive schemes, etc.) and pension contributions, has a decisive role in choosing jobs, and is also a key factor in motivating and retaining employees. Many jobs are accessible without qualifications, but as for all positions, their pay is strictly regulated by the regulations and the sector's Collective Agreement in France, and by local regulations in Germany, Austria and the Benelux countries (AÜG, EntgTransG and MiLoG).

The main objective is to meet employees' expectations while recognising and rewarding their contributions to the company's growth and performance. The Group is committed to balancing the individual aspirations of employees with the company's financial and corporate imperatives.

Transparent and fair pay policy for all employees

The Group's pay system guarantees that all employees are treated equally. As far as possible, it includes a variable pay plan based on performance criteria linked to the achievement of objectives. That system includes economic benefits linked to collective success, such as collective bonuses, profit-sharing and/or incentive schemes.

Specific salary benefits are also included in the pay package depending on the position (company car, vouchers and gift certificates, IT and telephone equipment, loans). The Group is actively committed to reducing any gender pay gaps by implementing an equal pay plan for women and men.

Salaries offered on recruitment as well as pay rises suggested by managers are subject to approval by both Human Resource managers and the Head of the Business Unit. Managers are supported by the Human Resource teams to guarantee that the pay rise award criteria are applied.

The payroll system is fully automated, guaranteeing that employees are paid on the date agreed in advance. Every month, the Payroll Department carries out preliminary and retrospective checks on current applications to ensure compliance. Employees have access to their electronic format pay slips through a confidential digital portal, which they will be able to use to manage their leave and absences independently with their manager in 2024.

An anomaly notification is issued whenever the minimum wage compliant with the applicable legal and collective agreement standards in France and Europe is not respected.

Furthermore, **STERNE Group** is unique in its will to involve a large proportion of its employees in its expansion and value creation, particularly through share ownership. During the LBO, 85 managers were given the opportunity to acquire shares in the Group's equity.

Performance

	2023	2022
Number of employee shareholders	72	85
Percentage of equity held by employees	9.27 %	12 %

[S1-16]

ACTION PLAN #1
GENDER PARITY

The Group is committed to guaranteeing fair, impartial and reasonable treatment for all by creating a classification of professions, functions and positions in the professional sector. The classification takes into account the activities, qualifications and skills, and is associated with a pay scale to maintain gender and job equity.

The significant rise in the gender equality index in France, from 71 in 2018 to 87 in 2023 for the Regular BU, bears witness to the Group's constant vigilance on the subject. It reflects the HR teams' ongoing, targeted actions in that area. The governance of the issue was strengthened with the signature of the Gender Equality Agreement and the Quality of Life at Work Agreement in 2022.

The ongoing study into the signing of national charters based on the French model underlines the Group's ongoing commitment to fairness and diversity.

STERNE GROUP perimeter	2023
Gender pay gap [S1-16]	7.8 %

It should be noted that the pay gap is expressed without taking into account the types of position. The Group has set up systems to guarantee equal pay for equal work.

Policy to provide employees an effective social protection system

The Group aims to provide its employees safety and protection, thereby promoting a peaceful working environment. It is committed to guaranteeing a high level of coverage of health, incapacity and disability risks that exceeds legal obligations and takes into account the economic and regulatory contexts specific to each country.

A compulsory and advantageous health contract has been introduced with automatic enrolment of all employees, demonstrating the Group's commitment to the well-being and safety of its employees. Employees are free to opt out.

GROUP PERIMETER	2023	2022	2021
Percentage of employees covered by private health insurance	86.5 %	86.4 %	73.1 %
Percentage of employees covered by social security protection (sickness, unemployment, workplace accidents and disabilities, parental leave, retirement) [S1-11]	100 %	100 %	100 %

[S1-14]

2.4.9_ Health and safety

Risks, opportunities and impacts

The transport and logistics sector has a high accident rate that impacts all workers. It is a more accident-prone sector than the average. Furthermore, the severity of the accidents in logistics and transport operations can be high due to the presence of blunt equipment and objects.

Preventive actions must be coordinated with customers, suppliers, principals and subcontractors as many activities are carried out jointly (work on customer sites).

The main risks to employees' physical health are carrying loads, repetitive movements and manual handling, which lead to the appearance of muscular-skeletal disorders (MSDs) mainly of the upper limbs and back.

Despite the mechanisation of handling equipment, order pickers, sorters, drivers and delivery personnel still have to lift, move or transport loads, sometimes with time constraints. A great deal of attention is paid to work ergonomics.

Although the physical aspect of the operators' activity is the most obvious, it also involves an increasingly heavy mental stress, encompassing aspects such as anticipating the tasks to be carried out, voice guidance and frequent changes to schedules, as well as night work. This increasing mental stress can contribute to health risks, particularly psychosocial risks, which are also found in management, sales and support functions.

Health and safety policy [S1-14]

The Group is actively committed to controlling and reducing all the risks through proactive prevention policies. The health and safety policy is overseen by the QHSE Director, who makes sure standards are applied throughout the Group. He is supported by the Chairmen of the Works Committees in each Business Unit.

To guarantee hazardous product transport compliance, the Group has appointed Safety Advisers (2 internal, 1 external). In 2022, QSSE software was rolled out across the Group to provide consistent reporting. ISO 45001 certification has also been in place since January 2023 for **STERNE France** and **STERNE Time Critical**.

Standardisation involves implementing consistent safety protocols and standards, while harmonisation aims to create a common understanding of health and safety commitments inside the **STERNE Group**.

To that end, **STERNE Group** implemented the following actions in 2023:

In **STERNE France** and **STERNE Time Critical**:

- Standardisation of practices
- Raising of awareness when on-boarding new employees
- Actions to promote sports activities and nutrition (#TOUSABORD programme)

In **STERNE nox**:

- Investments in site organisation
- Round reviews
- Renewal of safety equipment

The policy meets all the requirements of the various standards implemented by the Group.

As part of our responsible purchasing policy, health and safety obligations are included for all subcontractors.

21 - www.statistiques.developpement-durable.gouv.fr/edition-numerique/donnees-sociales-transport-routier-marchandises-2022/partie6-accidents-du-travail

Performance

	2023 ON THE NEW PERIMETER	2023 PREVIOUS PERIMETER	2022	2021
Workplace accident frequency rate	40	35.69	34.6	30.97
Workplace accident severity rate	1.74	2.85	1.75	1.76
Absenteeism rate	8.5%	5.77%	7.7%	4.7%
Number of deaths due to occupational accidents and disorders	0	0		
Number of days lost due to injury or accident	6,332	5,507		

The accident frequency rate was 40 in 2023 and the severity rate 1.74. On the previous perimeter, the rate rose slightly, but the Group remains well below the national figures for the profession[21].

However, this level of accident rates requires ongoing work to analyse workplace accidents, find their causes and adapt work methods and tools to reduce the risks.

In particular, the deployment of Personal Protective Equipment (PPE) to reduce muscular-skeletal disorders and make it easier to wear equipment is an additional solution for team safety.

ACTION PLAN #1
TO PROMOTE AND MAINTAIN SAFETY AND THE PHYSICAL, MENTAL AND SOCIAL WELL-BEING OF WORKERS AT THE HIGHEST LEVEL

With a view to harmonising and standardising the health and safety culture of its entities, in 2023 **STERNE Group** conducted a campaign aimed at ensuring the well-being of its employees and creating working conditions conducive to operational excellence in its **STERNE France** and **STERNE Time Critical** entities.

The Group makes sure:

- It scrupulously complies with applicable regulations and safety standards.
- It trains, raises awareness and oversees the on-boarding of employees, by offering multilingual training, online sessions and documentary supporting material.
- It provides information and raises awareness of the dangers associated with illegal substances, in particular narcotics and alcoholic beverages.
- It has an active role in reducing traffic risks by offering road safety training to new employees as soon as they are hired. Thereafter, they receive a monthly bonus for good driving provided they have not had an accident in the preceding months. In 2022, a major road safety training programme was rolled out, especially for drivers and sales representatives.
- It trains employees to combat harassment.

	2023	2022	2021
Number of employees trained in road safety*	37	373	7

**Year of reorganisation at operations level.*

ACTION PLAN #2
PREVENT AND PROTECT EMPLOYEES FROM ADVERSE HEALTH EFFECTS RESULTING FROM WORKING CONDITIONS

The Group is committed to reducing workplace accidents and illnesses through the following actions:

- Identifying and anticipating risk situations through specific training, particularly in the field of sensitive and dangerous transport, as well as in the military sector.
- Implementation of corrective actions where necessary, such as the widespread use of harnesses for optimal load distribution, or the introduction of tables to reduce harsh working conditions. In Germany, site refurbishment reduced the number of ageing installations. For example, the new racks allow the use of lifting equipment with shorter, safer forks.
- Supply of checked and secure safety equipment, including the replacement of personal protective equipment with more resistant French brands since 2022. That includes the supply of two pairs of safety shoes, gloves adapted to each work situation to protect the hands, and high-viz jackets to minimise the risk of collisions with moving vehicles.
- Installation of easily accessible defibrillators and first aid kits in all premises
- In terms of road safety, the renewal of the fleet with vehicles equipped with the latest generation of motorisations has a very positive impact on accident prevention. Indeed, such trucks and vans are equipped with a wide range of driving aids, including cruise control, lane changers and driver alertness monitors.

The process part of the health and safety policy is of paramount importance and includes:

- Regular review of occupational risk assessment documents.
- On-site verification of the implementation of the management system through annual audits of all sites.
- The use of indicators to measure actions on all sites since 2021.
- Sharing policies, objectives and values with customers, suppliers and partners.
- Selecting partners that have a safety policy.
- The organisation of safety conditions, including the verification and testing of Business Continuity Plans (BCP), Joint Emergency Response Plans (JERP) and Business Resumption Plans (BRP).

ACTION PLAN #3
PROMOTE PHYSICAL ACTIVITY AND A HEALTHY LIFESTYLE WITH THE STERNE BOX AND ACCESS TO THE VOIIO PLATFORM

As part of the #TOUSABORD initiative, in 2023 the Group launched the **STERNE box** initiative in France, a set of quality equipment (water bottle, towel, cutlery, etc.) and lifestyle advice to remind everyone to fight a sedentary lifestyle by practising sports and taking care of their health. Themes range from nutrition and hydration to sport ...

In Germany, access to the **Voiio platform** also includes a range of resources to help employees look after their own health and that of their loved ones.

[S1-15]

2.4.10_ Quality of life at work, work-home balance and parenthood

Risks, opportunities and impacts

Improving working conditions and the quality of life of our employees is a Group priority. It plays an essential role in its appeal and helps improve performance.

In Germany, the Group pays particular attention to the living conditions and integration of its employees who often have few qualifications and little knowledge of the intricacies of the German administration.

Policy in favour of work-home balance and parenthood

The Group is committed to promoting a better work-home balance, implementing experimental actions in France before rolling them out internationally if they prove relevant. For example, the choice of new sites takes into account their proximity to public transport and their ease of access to improve the appeal of the site and reduce journey times. Furthermore, work from home is encouraged wherever possible.

The Group has also set up significant initiatives in favour of parenthood which were formalised in 2023. This approach includes:

- A partnership with Babilou kindergartens since 2020, to offer places at preferential prices to employees from all our French sites,
- Throughout the Group, all employees are entitled to family-related leave. Managers organise pre- and post-interviews for maternity, adoption or parental leave. The aim is to ensure that the leave is not a brake on employee career development. The interviews cover the organisation of the job until employees start their leave, the replacement, the return to work arrangements, training needs, and mobility or career development expectations. If they so wish, employees can ask to continue accessing their emails during their leave, to make it easier for them on their return,
- Fathers are encouraged to take paternity leave,
- Working hours are adjusted for the start of the new school year,
- 3 days' leave for sick children,
- An obligation to organise internal work meetings at the usual times, and not after 7 p.m,
- Adjustment of working conditions for pregnant women (work from home, parking space, adjustment of workstation, reduced working hours, breast-feeding).

Family support policy

In Germany, the Group has developed a partnership with a support platform that employees can call on when they are faced with medical, financial, legal or other difficulties. The Voiio platform provides a wealth of useful information online, as well as expert advice for employees. The platform, which went live in December 2023, especially targets the needs of lower-paid employees or those who are less comfortable with German administrative rules. But it also seeks to improve the well-being of employees in every aspect of everyday life:

- Parenthood assistance such as babysitting solutions, help with homework
- Marriage counselling
- Mental well-being advice
- Support for carers
- Raising awareness of diversity
- Psychological support

Furthermore, a philanthropic initiative has been supporting drivers or employees in difficulty for over 10 years,especially those who have had a workplace accident. Alexander Kohnen is the chairman of the association which is set to become the hub of **nox**'s social activities.

[S1-12]

2.4.11_ Diversity, inclusion and the fight against discrimination

Discrimination and harassment policy [S1-17]

STERNE Group promotes and encourages diversity in all its forms, whether in terms of gender, ethnicity, nationality, religious beliefs, sexual orientation, disability or age, seeing it as a source of both individual and collective enrichment. Particular vigilance is exercised to prevent all forms of discrimination throughout the recruitment and career advancement processes.

The Group focuses on preventing discrimination and taking action against possible cases of harassment by training social partners and employees. It is supported by a network of harassment advisers on the sites, who are in charge of rapidly reporting contentious situations so that they can be examined and dealt with.

In 2023, 1 case of harassment was identified and dealt with by an internal investigation.

A recruitment policy focused on skills and diversity

A number of adjustments have been made to counter the stereotypes that can influence recruitment processes:

- Job titles have been reviewed.
- The content of the offers was scrutinised to eliminate any problematic terminology and stereotypes, with gender-neutral reformulation.
- On International Women's Rights Day, special attention was paid to communication about the Group's professions, encouraging openness to diversity.
- Inspiring portraits of female employees, highlighting their experience and professional success, are featured on the Group's website.

Policy to promote inclusion

STERNE Group emphasises that its corporate commitment includes everyone, including people who have experienced difficult events or who may face prejudice because of their differences. It aspires to promote this inclusion through the implementation of concrete measures and initiatives led by the Human Resources department.

ACTION PLAN #1
#TOUSABORD

In 2021, as part of its priority social commitment, the Group launched an HR initiative focusing on social cohesion, #TOUSABORD. This working group drives the societal aspects of HR policies.

The aim of the approach is to take concrete action in response to major societal challenges. It seeks to mobilise teams around this meaningful project, while promoting it both internally and externally.

In 2023, a third area to promote physical activity was added to the two major areas identified in 2022 that were disability and equal opportunities.

Disability

The purpose was to raise awareness among the teams of the need to integrate people with disabilities into the Group's professions, covering the entire process from recruitment to support.

In France, for the third consecutive year, employees were able to take part in Duodays, a day when teams host a disabled person in a pair with a volunteer professional.

In 2023, the Group also set up a skills sponsorship scheme: an association specialising in the integration of people with disabilities benefited from the expertise of a high-level manager to support its growth.

GROUP PERIMETER	2023	2022	2021
Percentage of disabled people [S1-12]	5.06 %	3 %	3 %

Equal opportunities

With an unemployment rate of over 20% among 18-24 year olds, the focus is on getting younger people into the company, attracting, training and retaining them, and creating a pool of future employees.

The **Jeune pousse** boost includes a partnership with Pôle emploi, to give young people their first job experience.

Every business unit must implement actions to facilitate the integration of young people into the company.

In 2023, **STERNE Group** also joined the **Télémaque** association, which aims to set up a system for young people to be mentored by professionals.

GROUP PERIMETER	2023	2022	2021
Number of work-study programme students and apprentices	58	30	21

ACTION PLAN #2
SUPPORT FOR THE INTEGRATION OF MIGRANT EMPLOYEES

In Germany, the logistics sector is one of the main professional integration vectors for employees from a wide range of countries who are looking for dignified living conditions in Germany. The Group's responsibility as an employer is not only reflected in the fair pay of its employees, but also in its efforts to provide them with means to integrate into society. That includes language training, support with administrative formalities and social protection.

2.5 THE GROUP'S SOCIAL COMMITMENTS

STERNE Group's responsibility to society relates to the following matters:

- Respecting Human Rights in its value chain, in particular as part of a responsible purchasing policy **[S2]**,
- Protecting customers and end consumers **[S3]**,
- Its involvement in the areas covered by **STERNE [S4]**.

2.5.1_ Supplier relationship management - Responsible purchasing

[S2] & [G1]

Risks, opportunities and impacts [S2.SBM-3]

The complexity of the value chain in the transport and logistics sector involving subcontractors at several levels both in France and elsewhere entails potential human rights risks. To manage those risks more effectively, the Group believes that the duty of vigilance must be exercised with an absolute guarantee of full compliance with regulations and the reality of controls.

The majority of the Group's purchases are for transport services. It promotes direct access to local VSE-SME subcontractors. That approach avoids the proliferation of intermediaries which is likely to reduce visibility and control over the actual practices of the subcontractors. Furthermore, virtually all other purchasing is centralised and contracted through framework agreements, which makes it easier to include CSR criteria in contracts and to sign the Responsible Purchasing charter.

The Group can thus implement its responsible purchasing policy by providing its partners optimum support, in particular by helping them implement their corporate responsibility initiatives.

Governance

The Purchasing Department, which reports to General Management, is in charge of centralising, harmonising and controlling purchasing practices and request for proposal procedures in the Group. It sets out the processes agencies follow in their purchasing and pricing activities. The Purchasing Director reports directly to the Managing Director twice a month. The **nox** subsidiary Purchasing Director reports to the Group Purchasing Director and is in charge of implementing Group policies.

The Supplier and Service Provider Responsible Purchasing Charter

The charter sets out the Group's expectations of its suppliers and service providers. It is aligned with the Responsible Purchasing Supplier Relations initiative guidelines overseen by the Ministry of the Economy and Finance. It is part of the contractual agreements signed with our partners and sets out expectations in terms of ethics, respect for human rights, working conditions, health and safety and environmental protection. The Group has implemented initiatives to meet its 10 commitments.

At the end of 2023, 100% of the Group's transport service providers had signed the Charter. The aim is to extend that commitment to other categories of suppliers, giving priority to those who generate the largest volume of business with the Group.

The charter was revised in 2023 to comply with regulatory changes under the "Sapin II" Act and the duty of due diligence.

In Germany, the purchasing team has been strengthened with the arrival of a new direct and indirect purchasing manager in charge of rolling out the Responsible Purchasing policy.

Responsible purchasing policy [S2-1]

The Responsible Purchasing Policy's objective are:

- To assess the risk of suppliers and subcontractors failing to respect Human Rights, labour and environmental law when using the central purchasing departments.
- To prevent, deal with and control the negative impacts of business relationships, especially in terms of Human Rights, as well as social, environmental and economic aspects.
- To promote corporate social responsibility (CSR) and encourage suppliers and subcontractors to adopt an appropriate approach using the supplier code of conduct.

The policy is supported by the following **action plans** :

ACTION PLAN #1
RISK MAPPING AND WORKPLACE HUMAN RIGHTS MONITORING

In 2023, a complete mapping of supplier risks was drawn up, focusing on ethics risk issues. The map is presented in detail in ***section 2.6 Ethics and fair practices***.

As part of its due diligence plan, the Group is committed to auditing 100% of its priority suppliers on workplace human rights issues at least every three years starting from 2023.

In particular, and this point is audited twice a year, it is stipulated that 100% of transport partners provide all regulatory compliance documents, such as the Code of conduct, transport licence, administration of foreign workers, etc. at all times.

Those documents are collected by a digital platform (And Co in France and Gedtrans outside France). These specialist transport and logistics platforms send weekly alerts to site directors if shortcomings are found. The service can only be provided if everything is compliant, and the site directors' half-yearly bonus is only paid if there are no anomalies. A document platform of this type will be deployed at the **nox** subsidiary in 2024.

Furthermore, to extend Human Rights monitoring in the value chain to all its partners, the Group is testing recognised social audit solutions, with the aim of deploying an upstream and ongoing due diligence procedure for the issue by 2025.

We are very vigilant about our subcontractors' respect for Human Rights and ethics. Our audit unit examines each relationship and makes sure all the Group's rules are applied throughout the contract. We further strengthened our monitoring tools in 2023, and will carry on investing in this crucial area.

John ZAILAA
Group Purchasing Director

ACTION PLAN #2
CONTRIBUTION OF SUBCONTRACTORS TO THE ECOLOGICAL TRANSITION

See section ***2.3.1 Climate change in the Commitments to the planet chapter***.

ACTION PLAN #3
COLLECTIVE WELL-BEING

The aim is to support companies run by women or those that attach particular importance to the inclusion of the disabled. The Group is committed to supporting its suppliers in preventing health and safety risks, while promoting Human Rights in the supply chain.

Wherever possible, the Group encourages the employment of people in sheltered or adapted environments. For example, a partnership with the APF France handicap association means that disabled people can be employed in around ten sorting rooms in France.

ACTION PLAN #4
BIODIVERSITY AND ECOSYSTEMS

Since the end of 2022, the Group has set up initiatives to support and raise awareness of these issues among its purchasing teams. Commitments to biodiversity are reflected in the selection of the buildings and associated services, including practices such as replacing lawn mowing by grazing animals and the choice of endemic species for green spaces, amongst others.

During the expansion of the headquarters in mid-2023, the issue was central. (see details of the actions in ***section 2.3.3 Biodiversity and ecosystems***).

ACTION PLAN #5
CREATING ADDED VALUE IN SOCIETY

The intrinsic nature of the Group's business which is based on running local rounds from its agencies, means that its transport partners are local SMEs.

The Group gives special preference to partners with between 2 and 10 drivers, considering that they are ideally suited to the requirements of the business sector.

[S3] & [S4]

2.5.2_ Customer, consumer and local resident safety

Risks, opportunities and impacts [SBM-3]

The challenges facing the Group have three main aspects:

- Protecting the health and safety of customers, consumers and local residents during transport and logistics operations. The handled, stored and transported products can suffer damage leading to potential health and safety risks for customers and consumers. Particular attention must be paid to maintaining the cold chain.
- Guaranteeing rapid resolution of disputes and providing superior after-sales service. The expectations of the Group's principals and end consumers focus on after-sales services, reception, assistance and complaint resolution. The aim is to prevent disputes and reduce their frequency.
- Protecting customer data against a backdrop of widespread digitisation. The rise of digitisation means higher standards of data protection and respect for consumer privacy. It is essential to guarantee the confidentiality of the data stored in the company's databases as the issue becomes increasingly important over time.

Responding effectively to those challenges allows the Group to improve its relations with principals and stakeholders, thereby strengthening its reputation as a trusted partner.

Policy to prevent the potential effects of logistics activities on health and safety [S3-1] & [S4-1]

The Group is committed to anticipating the negative impacts and potential damage arising from its own activities and those of its subcontractors on the health and safety of customers and consumers of transported or stored products. It pays particular attention to guaranteeing the traceability of handled products.

Managing those risks involves mapping sites and implementing ISO certifications, thus helping to establish a continuous improvement approach.

	ISO 9001	ISO 14001	ISO 45001	Induced risk analysis (georisk)	Site subject to a technological risk prevention plan*	Site subject to a flood risk prevention plan*
% of sites	100 %	100 %	70 %	100 %	14 %	44 %

** Only for STERNE France and STERNE Time Critical*

Dispute resolution policy and efficient after-sales service

To increase customer and consumer satisfaction, the Group must manage complaints and disputes efficiently by providing an efficient after-sales service. Its procedures are carefully designed to be both simple and effective.

Customer data protection policy [S4-1]

To minimise the risks associated with the collection of personal data from principals and their customers, the Group has strengthened its processes and tools to comply with the General Data Protection Regulation (GDPR).

Compliance with the GDPR requires the definition of a global and strategic policy for the management of personal data based on the principle of minimising the collection of data for a specific and lawful purpose. Furthermore, specific staff are assigned to deal with issues of privacy rights and GDPR compliance.

Added to that is the importance given to the security of the information systems through which personal data passes by means of an ISO 27001 certification process for the **STERNE France** and **STERNE Time Critical** BUs.

Detailed information on that organisation can be found in ***section 1.9.3 Data security and responsible use***.

Regional development policy [S3-1]

Logistics activities, which are expanding rapidly and becoming more and more prevalent, can arouse reservations in local communities because of their impact on the landscape, air quality and road traffic. By paying particular attention to their socio-economic impact in the areas where it operates, the Group seeks to increase acceptance of its activities by local residents, a crucial consideration in particular when setting up new facilities or expanding existing ones.

The Group highlights its employees' pride in being part of the Group and cultivates its image with local authorities and communities. As part of its territorial responsibility, it actively contributes to job creation and skills development in the regions where it operates.

Furthermore, the Group's businesses encourage it to promote the professional integration of people who are estranged from the labour market, and young people. In 2023, it employed 37 people on work-study programmes and 35 people on integration contracts in France, and 21 people on work-study programmes in Germany.

The Group also facilitates the participation of its employees in local fire and rescue services by signing appropriate agreements.

The Group also demonstrated its commitment to the values of sport by supporting the Fondation du Sport Français in preparing 3 top athletes for the 2024 Olympic Games in Paris. Jimmy Gressier, Aude Clavier and Luc Le Baron are able to progress and develop in their careers, and are a source of inspiration for all our employees.

2.6 ETHICS AND FAIR PRACTICES

[G1]

STERNE Group operates with a total commitment to ethics standards and compliance, especially in the fight against the risks of corruption and fraud **[G1-4]**. It nurtures relationships with its customers and suppliers based on trust.

Risks, opportunities and impacts

Compliance with ethical principles and the fight against corruption and fraud are essential elements of **STERNE Group**'s strategy, culture and day-to-day operations. The Group's activity is based on established commercial relationships characterised by loyalty and sustainability, with both its principals and its main subcontractors, in a partnership spirit. The Group takes a medium- to long-term view of its relationships with its principals.

Those principles allow **STERNE Group** to make structuring investments, particularly in favour of the environment. In that spirit, the Group undertakes to avoid all anti-competitive practices. Long-term relationships with subcontractors increase the reliability of services and strengthen mutual trust. The Group takes care to ensure fairness in the treatment of its suppliers, adopting an approach based on full costs to encourage sustainable relations and avoid encouraging social dumping.

Those relationships are strengthened by the clarity and transparency of the mutual commitments defined in the contractual framework.

Governance [G1-GOV1]

The management of ethics and compliance issues is given to a cross-functional team comprising the Chief Executive Officer, the Chief Financial Officer, the Purchasing Director, the Information Systems Director and the Quality, Safety, Environment, CSR and ESG Director. The subject is discussed at the quarterly Management Committee (CODIR) meetings, with the Agency and Operations Managers collecting the salient facts. An investigation is carried out if any suspicions arise.

Ethics and compliance, fair practices policy [G1-1]

STERNE Group directs its expansion in strict compliance with the laws and regulations of the countries in which it operates, while demonstrating a resolute will to apply the ethical principles enshrined in the Group's fundamental values.

Ethical risk mapping

In 2023, a full map of the ethics risks was drawn up, covering the following areas:

- Hospitality and gifts,
- Conflicts of interest,
- Stakeholder relations,
- Patronage and sponsoring,
- Facilitation payments,
- Representation of interest.

Risk mapping has made it possible to identify the most exposed activities based on the Transparency International and Gan Integrity references.

It also draws up a list of the positions most at risk internally, and which need continuous awareness-raising.

Code of Business Ethics

The principles are formally set out in the Business Ethics Code, which is signed by Daniel DESAGE, Chairman of the Group. The code was revised in 2020 and in January 2023. It applies to all the Group's shareholders and employees without exception, and is given to each new member of staff. Furthermore, it is extended to all the company's suppliers, partners and customers, committing them to respecting the same ethics rules.

The Ethics Code underlines the Group's commitment to Human Rights, respect for the law and free competition, both as an employer (see the chapter on Commitments to employees) and in its value chain. It provides a detailed overview of the fight against corruption, money laundering, fraud and tax evasion, as well as obligations relating to the security and confidentiality of data.

Guaranteeing lasting relations with the value chain depends on the transparency and reliability of the information communicated:

- To principals, along with compliance with contractual duties.
- To subcontractors, using contracts that provide clear and sufficient information without any abusive contractual clauses.

Ethics alert system

The due diligence plan includes an ethics alert mechanism that covers ethical business conduct, human rights and harassment.

Anti-corruption and fraud policy [G1-3] & [G1-4]

Like any economic entity, the Group is exposed to the potential risk of corruption and fraud. Those risks could lead to unfair competition, damage to its reputation and legal action. To prevent any risk of corruption or fraud, the Group has implemented all the pillars of the Sapin II Act, including:

- Ethics Code.
- A guide to good anti-corruption practice and a responsible purchasing charter communicated to all employees.
- A whistle-blowing system.
- A whistle-blowing expert.
- Training courses for all Group employees, particularly those whose functions expose them more to the risks of fraud and corruption, were rolled out in 2023, in particular at the annual seminar attended by all commercial functions and regional management.

Recognising that corruption risks may be higher in certain geographical areas where the Group operates, additional controls are carried out. The fraud and corruption risk is included in the Group's risk mapping (***see Ethics and Compliance Policy above***).

The Guide to Good Anti-Corruption Practice outlines the behaviour to adopt in potentially risky situations, such as hospitality, conflicts of interest, sponsorship, etc. It also describes the Group's whistle-blowing procedure.

Alert procedure

To make sure its anti-corruption policy is properly implemented, **STERNE Group** has introduced a whistle-blower procedure for its employees and any other individual in contact with the company. The procedure aims to define the actions to be taken when a person becomes aware of a danger, risk or scandal.

If an employee has personal knowledge of facts constituting an offence or crime that could be qualified as a conflict of interest, and that represent a serious breach of or threat to the general interest, they can trigger an alert. Reports must be sent by post, in writing and in a double envelope, to the direct line manager, to any senior manager or person of equivalent rank, or to the **STERNE Group** whistle-blowing officer.

No measures may be taken against an employee, in particular with regard to recruitment, training, discipline, promotion or assignment, for having reported facts constituting a misdemeanour or a crime of which they may have had knowledge in good faith.

In cases of non-compliance with the Ethics Code, **STERNE Group** applies the disciplinary system in place, which is managed by Human Resources. Its is, of course, compliant with the French Labour Code rules and obligations.

Late payment prevention policy [G1-2]

STERNE Group strives to reduce its payment times and has therefore implemented a late payment prevention policy. It strives to speed up invoice recording processes, in particular by delegating invoice validation to the local level. In 2024, the Group carried out a detailed review to identify the most relevant areas for improvement.

Standard and actual payment times 2023*

** Transport service providers.*

INDICATORS	FRANCE	TIME CRITICAL
Standard payment deadlines	30 days	30 days
Payment deadlines in days	30 days	28 days
Number of legal proceedings in progress concerning late payments	0	0

Action in the context of representation of interests

As a responsible player, **STERNE Group** contributes to discussions in its sector in order, in particular, to help draw up a legislative and regulatory framework favourable to the development of its activities, while supporting its action in favour of sustainable development. The Group's action in that area complies with the provisions on the representation of interests in the countries where it operates. As such, the Group is an active member of the following think tanks:

- the **CLECAT**, the European Liaison Committee of Freight Forwarders and Transport Auxiliaries in the Common Market, an association of freight forwarders, customs service professionals and logistics operators;
- **TLF**, French union of transport and logistics companies;
- **ANC**, the French accounting standards authority, on the subject of ESRS sector standards;
- **Chambers of Commerce**;
- **Global Compact France**.

METHODOLOGY NOTE

Preparation bases
[ESRS2.BP-1 & BP-2]

2.7

STERNE Group has drawn up its Extra-Financial Performance Statement (DPEF) with the aim of ensuring a high level of rigour in extra-financial reporting by strictly complying with regulatory obligations. The approach aims to anticipate future European regulatory requirements (CSRD).

The DPEF complies with the obligations set out in Articles R.225-105-2 et seq. and Article L225-102-1 of the French Commercial Code. It sets out how the Group integrates the social and environmental implications of its activity. A detailed correspondence table is available in ***section 2.8***.

Scope of material risks covered

The declaration for the 2023 financial year is based on a risk analysis in line with regulatory requirements, and reflects the major expectations of the main stakeholders in terms of assessing and managing CSR risks and opportunities. The details of the analysis are presented in depth in ***section 2.2***.

As part of the risk mapping process, certain subjects were not considered relevant or material considering the Group's specific activities. Because of the nature of its activities, STERNE Group is not directly involved in issues relating to:

- **The fight against food waste,**
- **The fight against food insecurity,**
- **Animal welfare,**
- **Compliance with responsible, fair and sustainable food**
- **Actions to promote the link between the Nation and the Armed Forces and to support enrolment in the reserves**

The definition of short-term, medium-term and long-term corresponds to the definition given in the ESRS 2 standard (respectively less than 1 year, between 1 and 5 years and over 5 years).

Reporting period and frequency

The collected data covers the period from 01/01/2023 to 31/12/2023, corresponding to the **STERNE Group**'s financial year. Unless otherwise indicated, the societal, social and environmental indicators are based on consolidated data on 31 December 2023.

Reporting scope

The scope includes **STERNE Group** and its subsidiaries in which STERNE has a holding of more than 50%, except for Austria, Belgium and the Netherlands. Companies not selected for this campaign are the subjects of specific integration processes that were not complete on 31 December 2023. This scope represents 92.1% of the total workforce and 88.1% of Group turnover on 31 December 2023.

As part of its active external growth policy, **STERNE Group** undertakes to include new subsidiaries and activities in its extra-financial reporting within two years of the acquisitions.

It is important to note that, in general, social and environmental indicators may have methodological limitations due to the lack of harmonisation between national and international definitions and legislation for certain data. In that framework, the indicators relating to median salary, the proportion of employees on the legal minimum wage, district heating consumption, pay parity and the number of employees trained in the GDPR changed for the 2023 financial year due to the change in perimeter as well as to provide more relevance.

Consolidation and internal control

The CSR reporting protocol for **STERNE Group** subsidiaries was introduced in 2022 at the same time as the CSR approach was formalised. It is regularly updated to better meet the expectations of the Group's stakeholders.

The protocol makes it possible to apply uniform definitions, as well as uniform data collection, validation and consolidation rules for all Group entities. It details the methodology for calculating and collecting the indicators and qualitative information relating to CSR clearly defining the scope of the reporting.

Environmental data is reported and consolidated using a specific IT system, Reporting 21 software, which includes all the definitions of the elements to be documented. Automatic consistency checks are built into the tool when data is entered.

Social data is collected and consolidated at the local and central levels using Human Resources information system tools, and consolidated on the Reporting 21 platform by the Group CSR Department and the **nox** CSR unit.

Other data (financial data, vehicle fleet type, waste, responsible purchasing, ethical alerts) is collected directly from local and central contributors.

For each indicator, an initial check is carried out at the level of each subsidiary. The indicators are then aggregated and checked by Group headquarters. A second validation occurs during the consolidation process. Finally, an analytical review and global control are set up to provide the overall consistency of social and environmental data.

External control

STERNE Group's Independent Third Party Body (ITB) for 2023 is Rouxel-Tanguy & Associés, trading as ACTHEOS Rouxel-Tanguy & Associés, an independent third party body accredited by COFRAC Inspection no. 3-1908, available at www.cofrac.fr.

This firm carries out the audit mission defined by Articles L.225-102-1 and R.225-105-2 of the French Commercial Code, which consists of verifying the compliance and fairness of the Extra-Financial Performance Declaration (DPEF).

2.8 SUMMARY OF INDICATORS

Performance indicators	2023 new perimeter	2023 previous perimeter	2022	2021	2023/2022 variation on previous perimeter*	STERNE FRANCE	STERNE TIME CRITICAL	STERNE nox	Definition
Environment									
Scopes 1, 2 and 3	136841	76,985	85,867	80,104	**-10.34 %**	48,059	28,925	59,856	*Scope 1: Includes downstream fuel and gas consumption*
Scope 1	6884	5,551	5,778	7,704	**-3.9 %**	4181	1370	1333	*Scope 2: Groups electricity consumption*
Scope 2	168	74	67	68	**+10.45 %**	63.4	10.2	94.7	*Scope 3: Includes all other indirect greenhouse gas emissions linked to the Group's activity*
Scope 3	129788	71,360	80,022	72,332	**-10.8 %**	43,815	27,545	58,824	
Share of renewable energy	53.03 %	28.6 %	23.8 %	21 %	-	28.6 %	0 %	70 %	*Share of renewable energy consumed by the Group (corresponds to the French share of renewable energy)*
Energy consumption	11,129,737	2,905,023	2,209,883	1,295,408	**31.45 %**	2,122,523	782,500	8,224,714	*Group electricity and gas consumption in KWh in 2021, 2022 and 2023 according to invoice reporting*
Of which electricity	4,492,618	2,180,530	1,758,953	862,713	**23.96 %**	1,878,053	302,477	2,312,088	
Of which gas	5,810,171	724,493	450,930	432,695	**60.66 %**	244,470	480,023	5,085,678	
Of which urban heating	826,948	-	-	-	**ND**			826,948	
Tonnes of waste	2800	1033	1194	1344	**-13.48 %**	882	147	1927	*Tonnes of group waste in 2023*
WEEE recycling rate	100 %	100 %	100 %	50 %	-	100 %	100 %	100 %	*WEEE recycling rate in 2021, 2022 and 2023*
Number of sites in Natura 2000 zones, protected areas or key biodiversity zones	-	-	-	-	-	0	0	0	*Number of sites in Natura 2000 zones, protected areas or key biodiversity zones*
Social									
Total workforce	2,017	1,123	1,053	1,138	**+6.65 %**	917	206	894	*Total group workforce in 2023*
Breakdown of women and men	27.96% women 72.04% men	29.03% women 70.97% men	29 % women 71 % men	23 % women 77 % men	-	28.15 % women 71.85 % men	38.54% women, 61.46% men	26.62 % women, 73.38 % men	*Percentage of women and men in the company relative to the total workforce*
Breakdown of women and men in managerial positions	21.19 % women 78.81 % men	22.53 % women 77.47 % men	29 % women 71 % men	25.1% women 74.9% men	-	20.9 % women 79.1 % men	33.33 % women 66.67 % men	19.49 % women 80.51 % men	*Percentage of female and male managers in the company as a proportion of all managers in the company*
Geographical breakdown	France: 52.55 % Other countries: 47.45 %	France: 94.39 % Other countries: 5.61 %	France: 93.8 % Other countries: 6.2 %		-	-	-	-	*Breakdown of workforce by geographical region*
Breakdown by age	< 30: 18.3% 30-50: 49.3% > 50: 32.40 %	< 30: 19.9 % 30-50: 48.5 % > 50: 31.6 %	< 30: 16.7 % 30-50: 50.1% > 50: 33.2 %	< 30: 19.2% 30-50: 53 % > 50: 27.8 %	-	< 30: 18.42% 30-50: 52.29 % > 50: 29.29 %	< 30: 19.58 % 30-50: 48.95 % > 50: 31.47 %	< 30: 18.90 % 30-50: 48.77 % > 50: 32.33 %	*Breakdown of workforce by age group (under 30, between 30 and 50 and over 50)*
Disabled employee percentage	5.06 %	5.16 %	3 %*	3 %*	-	5 %	3%	5%	*Number of disabled employees as a percentage of the group's total workforce in 2021, 2022 and 2023**
Pay parity	7.83 %	-	-	-	-	-	-	-	*Unadjusted gender pay gap (100**(average annual male salary - average annual female salary)/average annual male salary)*
New hires	231	130	204	NA	**-36.27 %**	114	16	101	*Number of permanent hires and departures*
Departures	265	103	218		**-52.75 %**	77	26	162	

** = data modified following a recalculation.*
*** The variation rate is not calculated for percentage values.*

2.8 SUMMARY OF INDICATORS (CONTINUED)

Performance indicators	2023 new perimeter	2023 previous perimeter	2022	2021	2023/22 variation on previous perimeter	STERNE FRANCE	STERNE TIME CRITICAL	STERNE nox	Definition
Social									
Turnover	13 %	9 %	19 %	-	-	8.8 %	13 %	18 %	*Renewal of a company's workforce following departures (redundancy, end of contract, resignation, retirement) and employee recruitment.*
Number of work-study programme students and apprentices	58	37	30	21	**+23.33 %**	25	12	21	*Number of work-study programme students and apprentices at group level in 2021, 2022 and 2023.*
Workplace accident frequency rate	40.1	35.7	34.6	30.97	-	38.4	17.56	45.11	*Formula: 1,000,000*"number of non-fatal workplace accidents"/"number of theoretical worked hours"*
Workplace accidents severity rate	1.74	2.85	1.75	1.76	-	3.07	1.68	0.48	*Formula: 1,000*"Number of lost days as a result of a workplace accident"/"number of theoretical worked hours"*
Absenteeism rate	8.50	5.77	7.7	4.7	-	6.66	5.1	11.58	*Formula: 100*Total number of hours absent"/"Theoretical number of worked hours"*
Number of employees trained in road safety	37	5	373	7	**-98.66 %**	0	5	32	*Number of employees trained in road safety at group level in 2021, 2022 and 2023*
Number of hours of training	6576	4444	4 216	4 593	**+5.41 %**	4059.74	384	2132	*Number of hours of overall training at group level*
Percentage of trained employees	34.71 %	39 %	71.3 %	33.6 %	-	47.24 %	16.08 %	29.53 %	*Ratio between the total group workforce and the trained workforce*
Average number of training hours per trained employee	9.4	10.2	5.6	12	**+83.93 %**	9.83	16.7	8.08	*Ratio between the number of hours of training and the number of trained employees*
Percentage of employees having undergone training leading to certification	7.4 %	0	50 %	34.7 %	-	0 %	0 %	16.67 %	*Ratio between total workforce and number of employees having undergone training leading to certification*
Cases of harassment and/or discrimination	1	1	-	1	**+100 %**	1	0	0	-
Percentage of employees covered by employee representatives	100 %	100 %	79 %	74 %	-	100 %	100 %	100 %	*Ratio between total workforce and number of employees covered by employee representatives*
Percentage of employees covered by collective agreements	100 %	100 %	94 %	NA	-	100 %	100 %	100 %	*Ratio between total workforce and number of employees covered by collective agreements*
Number of employee shareholders	72	72	85	-	**-15.29 %**	72	-	-	-
Percentage of equity held by employees	9.27 %	9.27 %	12 %	-	-	9.27 %	-	-	
Percentage of employees covered by private health insurance	87 %	75.78 %	86.4	-		80.04 %	82 %	100 %	*Ratio between the total workforce and the number of employees covered by private health insurance*
Societal									
Code of Business Ethics	-	-	Reviews in 2020 and January 2023	-	-	-	-	-	-
% of transport service providers who signed the responsible purchasing charter	100 %	100 %	41 %	-	-	100 %	100 %	100 %	*Ratio between the total number of transport service providers and the number of transport service providers who signed the responsible purchasing charter*
Number of employees who received GDPR training	142	142	-	-	-	142	0	0	-

2.9 TABLE OF CORRESPONDENCES WITH REGULATORY TEXTS

To make the document easier to read, the cross-reference table below identifies the information that constitutes the Extra-Financial Performance Declaration in accordance with the provisions of Articles L.225-102-1 and R225-105 of the French Commercial Code.

Subjects	Sections	Pages
Business model	**1.6**	20 / 21
Description of the main risks associated with the Company's activities	**2.2.2**	35 / 37
Description of the policies applied by the company to prevent, identify and mitigate the occurrence of extra-financial risks.	**2.2.2**	35 / 37
Information on how the Company takes into account the social and environmental consequences of its activity and the effects of that activity on compliance with Human Rights and the fight against corruption	**2.2.1**	33
Results of the policies applied by the Company, including key performance indicators	**2.8**	84
Social information		
• Commitments	**2.4**	59
• Work organisation	**2.4.10**	73
• Health and safety	**2.4.9**	70
• Industrial relations	**2.4.5**	63
• Training	**2.4.7**	65
• Equal opportunities	**2.4.8 / 2.4.11**	68 / 74
Environmental information		
• Biodiversity and ecosystems	**2.3.3**	22
• Pollution	**2.3.2**	53 / 54
• Circular economy	**2.3.4**	56 / 58
• Climate change	**2.3.1**	38 / 53
Corporate information		
• Customer, consumer and local resident safety	**2.5.2**	78 / 79
• Responsible purchasing	**2.5.1**	76 / 78
• Fair practices	**2.6**	80 / 81
Information on the fight against corruption	**2.6**	80
Information on actions to promote human rights	**2.4.6**	64 / 65
Collective agreements signed within the company and their impact on the economic performance of the company and on employee working conditions	**2.4.5**	63 / 64
Certificate from the independent third-party organisation on the information contained in the Extra-Financial Performance Declaration (DPEF)	**2.10**	89 / 90

Declaration on due diligence [ESRS2.GOV-4]

GOV-4	Sections in the sustainability report
	Laurent de Rosnay editorial
a. Integrating due diligence into governance, strategy and business model	**1.6** **1.7** **1.8** **1.9** **2.1**
b. Collaborate with relevant stakeholders at all stages of due diligence	**1.5** **2.2**
c. Identify and assess negative impacts	**2.2**
d. Take measures to remedy the negative impacts	**2.3** **2.4** **2.5** **2.6**
e. Monitor and communicate effectiveness	**2.3** **2.4** **2.5** **2.6**

2.10 OTI REPORT

To the General Meeting,

In our capacity as independent third party organisation of your company (hereafter 'entity'), accredited COFRAC validation / verification (Comité Français d'Accréditation)* appointed as independent third party ("third party") and accredited for the verification of social, environmental and societal information under number 3-1908 (scope available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended 31/12/2023 (hereinafter the "Information" and the "Statement", respectively), presented in the management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (code de commerce).

Conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comments

Without modifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we make the following comments:

- We draw the reader's attention to the scope of the data presented in the statement. As presented in the 'Reporting Scope' section of the report, the entities in Austria, the Netherlands and Belgium do not appear in the extra-financial performance declaration.
- As a result of the new scope, the Group has changed its 'performance indicators'. The indicators 'median salary of permanent employees' and 'proportion of employees earning the legal minimum wage', which were tracked last year, have been removed. However, three other key performance indicators have been added: 'district heating consumption', 'pay parity' and 'number of employees who have taken RGPD training'. These changes are described in the report's methodological note.

Preparation of non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.
Consequently, the Information needs to be read and understood together with the Guidelines, summarised in the Statement.

Inherent limitations in preparing the Information

As stated in the Statement, the Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

The Board of Directors is responsible for

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy)
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error

The Declaration has been drawn up by applying the entity's Reporting Criteria as mentioned above.

Responsibility of the independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.
It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy)159, the French duty of care law160 and against corruption and tax evasion161);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

** The general rules for using the COFRAC validation/verification mark are defined in document GEN REF 11 available on the website www.cofrac.fr.*

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code and the professional doctrine relating to this type of intervention.

Audit programme

Our audit programme (A9 Audit programme_5) is based on the lastest technical notice issued by the Compagnie Nationale des Commissaires aux Comptes "Intervention du CAC- Intervention de l'OTI DPEF" and the AFNOR guide FD X30-024: 2019.

Independence and quality control

Our independence is defined by regulatory texts, the profession's code of ethics included in the decree of 30 March 2012 on the practice of public accounting and takes into account the provisions of Article L.822-11-3 of the French Commercial Code. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with ethical rules, professional doctrine and applicable laws and regulations.

Means and resources

Our work engaged the skills of 3 peoples and took place between February and July 2024 over a total of 4 weeks.
We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 10 interviews with the people responsible for preparing the Declaration, in particular the Chairman of Groupe Sterne, the Director of the Critical business unit, the Director of the NOX business unit, the QSSE ESG Director of Groupe Sterne, the QSSE Manager of Groupe Sterne, the CSR Officer of Groupe Sterne, the Carbon Footprint Officer of Groupe Sterne, the Human Resources Director of Groupe Sterne, the Technical Director of Groupe Sterne who is a representative of the CHSCT.

Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.
The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code;
- verified that the Declaration presents the information required by II of Article R. 225-105 when it is relevant to the principal risks and includes, where appropriate, an explanation of the reasons for the absence of the information required by paragraph 2 of III of Article L. 225-102-1 ;
- verified that the Statement presents the business model and a description of the main risks associated with the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1.
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the tatement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities** and covers between 21% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

Rennes, le 29/07/2024

L'Organisme Tiers Indépendant

ACTHEOS Rouxel-Tanguy & Associés

Géraldine BLIN, Associée

*** In particular : KÖLN EIFELTOR site, DUSSELDORF site, WÜRZBURG site, FRANKFURT site, HANNOVER site, KÖLN EIFELTOR site, Lyon site, Chilly Mazarin site, NOX business unit, REGULAR business unit, ATS69 site, NOVEA67 company, NOVEA68 company, Partner Express company, Mouen site, ATS62 site, ATS76 site, TCS Bordeaux site, TCS Marseille site, TCS Dijon site, Corbas site, Orange web company, Garonor site, Groupe Sterne, Sterne Critical business unit, Sterne Francev business unit*

Appendix 1:

List of the information that we considered to be the most important subject to a detailed review.

Information on the "Social" theme:

Total workforce (KPI), Geographical breakdown of employees (KPI), Breakdown of male/female workforce (KPI), Breakdown of male/female managerial staff (KPI), Breakdown by age (KPI), Rate of disabled employees (KPI), Pay parity (pay gap) (KPI), Hirings and departures (KPI), Turnover (KPI), Number of hours of training (KPI), Percentage of employees trained (KPI), Average number of hours of training per employee trained (KPI), Percentage of employees having received certification training (KPI), Workplace accident frequency rate (KPI), Workplace accident severity rate (KPI), Absenteeism rate (KPI), Number of employees trained in road safety (KPI), Number of work-study students and apprentices (KPI), Number of employee shareholders (KPI), Percentage of capital held by employees (ICP), Percentage of employees covered by employee representatives (ICP), Percentage of employees covered by collective agreements (ICP), Number of cases of harassment and/or discrimination (ICP), Percentage of employees covered by a mutual insurance company (ICP), Number of permanent female employees, Number of permanent male employees, Number of full-time female employees, Number of full-time male employees, Number of part-time female employees, Number of part-time male employees, Group recruitment procedures and tools, Health and safety policy, ISO 45001 certification (Critical and Sterne France), Supply of tested and safe safety equipment, including replacement of personal protective equipment with more resistant French brands, Number of deaths due to occupational accidents and illnesses (for employees and temporary workers), Number of days lost due to injury or accident.

Information on the "Environment" theme:

Group Scope 1,2,3 greenhouse gas balance (KPI), Share of renewable energy (KPI), Group electricity consumption (KPI), Group gas consumption (KPI), District heating consumption (KPI), Tonnes of waste (KPI), WEEE recycling rate (KPI), Number of sites located in a Natura 2000 area, protected areas or key biodiversity areas (KPI), Trajectory validated by SBTi, % of freight transported by road in France, Carbon intensity (per million euros of turnover), Percentage of vehicles in the Group's fleet and those of its service providers compliant with EURO 6 standards, Number of electric vehicles and bicycles, Number of hybrid vehicles, Number of company cars, Percentage of vehicles operated by STERNE City that comply with the conditions of the ZFE regulation, Percentage of the vehicle fleet operated by the Nanterre site (BU CITY) equipped with an alternative engine, Co2e emissions (tonnes of eqCO2/year) avoided thanks to reusable packaging, Provider of carbon offsetting projects with the Low Carbon label, Reforestation project in Sermaize les bains with Low Carbon label, Quantities of wood waste, Quantities of paper and cardboard waste, Quantities of plastic waste, Quantities of household waste, Waste sorting guide, Collaboration with Waste marketplace, main partner for WEEE recovery, Collaboration with Emmaüs Connect for WEEE recovery, Quantity of WEEE in 2023.

Information on the "Societal" theme:

Code of ethics (ICP), Percentage of the Group's transport service providers who have signed up to the Responsible Purchasing Charter (ICP), Number of employees who have taken the RGPD training course (ICP), Guide to good anti-corruption practice, Standard payment times and payment in days on Sterne Critical and Sterne France, The Group is an active member of the following think tanks: CLECAT, TLF, ANC, International Chambers of Commerce and Industry, Global Compact France, Number of legal proceedings in progress concerning late payment, Whistleblower procedure, Anti-corruption training, Ethical risk mapping.

List of information that we considered to be material and that was subject to a consistency review.

Information on the 'Social' theme:

Measures to raise awareness and provide training on human trafficking, Number and amount of serious human rights incidents (forced labour, child labour, human trafficking), Gender equality index, Signature of a QWL agreement in 2022, Percentage of employees covered by social protection, Initiative on parenthood, etc.

Information on the 'Environment' theme:

ISO 14001 certificates, Group process prohibits and controls deliberate dumping, Share of EURO 5 and 6 vehicles subcontracted, Share of EURO 5 and 6 vehicles owned, Number of incidents of water and soil pollution, Anti-pollution kit in each branch, Implementation of refuges via the deployment of wetlands and hedges to encourage the settlement of native birds, EcoVadis label assessment by business unit.

Information on the 'Societal' theme:

Responsible Purchasing policy, Transport partners must provide all regulatory compliance documents, such as the Code of Ethics, transport licence, administration of foreign workers, etc. at all times, Responsible Purchasing Charter for suppliers and service providers, Share of SO 27001-certified sites, Share of ISO 9001-certified sites.

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