

**DECLARATION  
OF EXTRA-FINANCIAL  
PERFORMANCE**

**2019  
2020**



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# THE BEAUMANOIR GROUP

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03

# Our business and our ambition

More than 12,000 people now work for the Beaumanoir Group worldwide, whether they are employed by our companies or our affiliated partners.

Our activity is organised around two business activities:

- Creation and distribution of ready-to-wear clothing
- The supply chain

The items for our brands, namely clothes and fashion accessories (such as shoes, jewellery and bags), are designed by our teams based in Saint-Malo, Paris and Shanghai, in collaboration with our supplier partners.

They are mainly sold in the Cache Cache, Bonobo, Bréal, Morgan and Vib's stores belonging to the Group or our affiliated and franchised partners, as well as on their own and their partners' online stores.

Our logistics subsidiary, C-LOG, takes care of dispatching products from our different supply regions to our seven logistics sites, and then onwards to our stores or directly to our e-commerce customers. C-LOG also provides its logistics, shipping and cross-channel order preparation expertise to other fashion and luxury brands.

The global textile market is currently experiencing big changes. These changes include new players emerging while others restructure, procurement practices evolving with the rapid development of the omni-channel approach, the use of data in serving customers becoming a major competitiveness issue and operating rules being made more stringent.

Against this backdrop, the Beaumanoir Group is continuing its digital and omni-channel transformation, while remaining an agile company in serving its partners and customers in order to become a major player in textile distribution.

**Our vision is to become the number one company in customer relations within our various areas of activity.**

# Our values

Beaumanoir Group structures its management around seven key values, which define its responsibility towards its customers, employees and partners.

## Commercial spirit

Commercial spirit is part of our DNA and guides everything we do. Every day we harness our expertise in order to leave our customers to satisfied and to foster the entrepreneurial spirit within ourselves: identifying new challenges, thinking outside the box and showing strong initiative all define what we do.

## Humility

Humility is a strong human value within the Beaumanoir Group. Openness to others, the ability to question ourselves and the desire to improve our practices are an important gauge of company sustainability.

## Closeness

Closeness is key to building solid and sustainable relationships with our employees, customers and suppliers. We are confident that it is only by being close to our partners that we can understand their needs, meet their expectations, forge mutual trust and benefit from sharing experience.

## Respect

Respect means a guarantee to accept diversity, adapting to different cultures and being rigorous in our rules and best practices.

## Reactivity

Reactivity is an imperative and a strength in a constantly evolving market. The Beaumanoir Group's organisation structure is based on quickly identifying new ideas, taking decisions and applying them.

## Passion

Passion for our job, our enthusiasm, the "pleasure of winning together", is what drives us. By joining the Beaumanoir Group, you become part of the "TRIBE"!

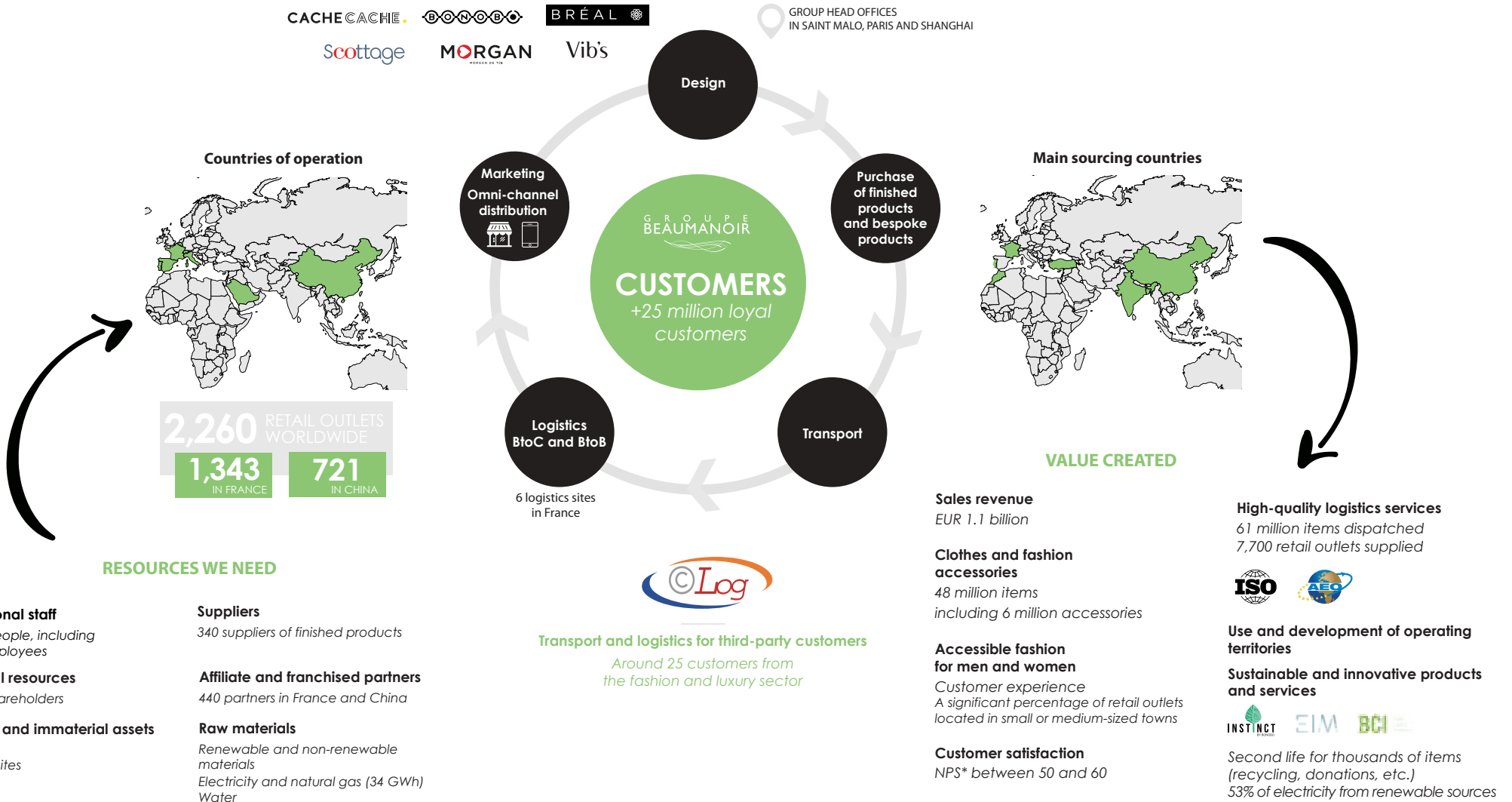
## Progress

Progress is both technological and human, something to which every one of us actively contributes. By entrusting our employees with real responsibilities and drawing on the constant acquisition of knowledge, we are building dynamic and forward-looking organisations.

# Our value-creation model

## HOW WE CREATE VALUE

OUR VISION: BECOMING NUMBER 1 IN CUSTOMER RELATIONS WITHIN OUR VARIOUS AREAS OF ACTIVITY  
 OUR VALUES: Entrepreneurial spirit – Humility – Closeness – Respect – Reactivity – Passion – Progress



\* Net Promoter Score



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# OUR SOCIAL RESPONSIBILITY STRATEGY

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09



# Our main Corporate Social Responsibility (CSR) challenges and risks

## OUR APPROACH

We set up an DEFP (Declaration of Extra-Financial Performance) working group at the end of 2018, made up of representatives of our various departments, in order to identify primary CSR challenges (social, environmental and societal) associated with the Beaumanoir Group's economic model.

For the work to be as relevant as possible and although the Group is not a listed company under Article L 225-102-1, we decided to include extra-financial challenges related to human rights and the fight against corruption in our analysis.

Initially, we identified a range of relevant non-financial challenges for our company using the ISO 26000 standard, sector-based knowledge and media, and global CSR baselines<sup>1</sup>. 22 risk-carrying challenges were therefore selected, for which we identified the impact on the Group's value chain.

Food insecurity, responsible, fair and sustainable food and the fight against food waste were not chosen as these challenges are not applicable to our areas of activity.

We then updated our materiality matrix. Two aspects were taken into account in prioritising each extra-financial challenge:

- The challenge's significance for the Beaumanoir Group's economic performance, evaluated by the DEFP working group according to three criteria: seriousness of impact for the Group, frequency of challenge-related threats and opportunities and the Group's level of control over the challenge
- The importance of stakeholder expectations for these challenges. For this, we chose to ask three stakeholders questions by telephone and email identified as priority: employees, our brands' customers and textile suppliers

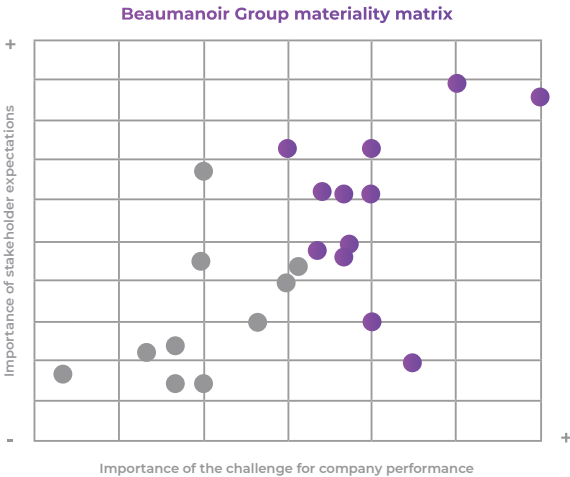
## OUR 12 PRIORITY CSR CHALLENGES

Our materiality matrix helps us to identify priority CSR challenges for the Beaumanoir Group and our stakeholders.

For the first year, we decided to choose ten challenges that posed the most significant regulatory, financial, reputational or operational risks for the Beaumanoir Group.

During 2019, the DEFP working group felt that two other challenges, which were not highlighted in our materiality analysis, should be reevaluated in light of general changes in the market and expectations from our stakeholders.

Therefore, the "Circular economy" and "Textile materials" are part of the 2019/2020 DEFP because we think that they present significant business risks and opportunities, and, for this reason, must be addressed by our companies as priorities.



1. Quality of the product range and customer services

2. Customer health and safety

3. Textile materials

4. Animal welfare

5. Attracting and retaining talents

6. Diversity and equality of opportunities
7. Business ethics

8. Responsible purchasing practices

9. Human rights and working conditions

10. Preserving water and the oceans

11. Energy and climate change

12. Circular economy

<sup>1</sup> Apparel, Accessories & Footwear Sustainability Accounting Standard (SASB 2015), Environmental Impact of the Global Apparel & Footwear Industries Study (Quantis 2018), Pulse of the fashion Industry (BCG 2017) ...

Challenges	Risks
Quality of the products and customer services	Reputational risk and customer dissatisfaction Financial risk associated with product returns
Customer health and safety	Risk of non-compliance with regulations Reputational risk and loss of customers Financial risk associated with product recalls and complaints
Textile materials	Risk of becoming less competitive Operational and financial risks associated with natural resources being used up
Animal welfare	Reputational risk and loss of customers Risk of boycotts
Attracting and retaining talent	Skill obsolescence risk Financial risk associated with the cost of recruitment and the loss of skills
Diversity and equality of opportunities	Risk of non-compliance with regulations Risk of diminishing appeal for employees and employee disengagement Risk of lawsuits
Business ethics	Risk of non-compliance with regulations Reputational risk Risk of lawsuits
Responsible purchasing practices	Risk of non-compliance with regulations Risk of lawsuits Operational risk associated with supplier relationships and supplies
Human rights and working conditions in the supply chain	Risk of violations of human rights and safety laws at our suppliers' premises Operational risk associated production interruptions Reputational risk
Preserving water and the oceans	Reputational risk Operational risk Environmental risk associated with resources being used up
Energy and climate change	Risk of non-compliance with regulations Climate risk Financial risk associated with energy costs
Circular economy	Risk of non-compliance with regulations Reputational risk associated the impact of products' end of life on the environment

## Our CSR commitments

The Beaumanoir Group's CSR strategy centres on four major commitments grouping together the twelve priority CSR challenges on which the Group concentrates its efforts on the subject of social responsibility.



4 commitments	12 priority CSR challenges
 <p>Provide responsible products and services that meet our customers' expectations</p>	<ul style="list-style-type: none"> <li>. Quality of the product range and customer services</li> <li>. Customer health and safety</li> <li>. Textile materials</li> <li>. Animal welfare</li> </ul>
 <p>Provide our employees with a healthy, fair and stimulating environment</p>	<ul style="list-style-type: none"> <li>. Attracting and retaining talent</li> <li>. Diversity and equality of opportunities</li> </ul>
 <p>Build and develop ethical partnerships</p>	<ul style="list-style-type: none"> <li>. Business ethics</li> <li>. Responsible purchasing practices</li> <li>. Human rights and working conditions</li> </ul>
 <p>Manage our environmental footprint</p>	<ul style="list-style-type: none"> <li>. Preserving water and the oceans</li> <li>. Energy and climate change</li> <li>. Circular economy</li> </ul>



## Our partners

In 2019, the Beaumanoir Group became a member of the Fashion Pact. This international coalition, which was presented by the French President during the G7 Summit in Biarritz, now includes more than 60 companies from the fashion and textile sector. All of them are committed to preventing further global warming, restoring biodiversity, protecting the oceans and implementing specific measures in their respective organisations. This industry initiative should help all members to move towards more sustainable business models more quickly.

At the same time, the Beaumanoir Group is working with well-known partners and uses their expertise to speed up the implementation of its corporate responsibility programmes and commit to real progress.

Our Group is a member of Amfori, the main international business association supporting open and sustainable commercial trade. Thanks to Amfori BSCI and Amfori BEPI, we will improve the social and environmental performances of our supply chain. For more information, go to [www.amfori.org](http://www.amfori.org)

Our French brands have also subscribed to the Better Cotton Initiative. The BCI aims to promote more sustainable cotton that reduces the impact on both the environment and human beings.

Finally, since 2015, we have been part of Club Génération Responsable (*Responsible Generation Club*), a space for holding conversations to support improving the brands' environmental and social quality and distribution networks in France, with the aim of sustainable development. The Club gives us the opportunity to enjoy support from renowned experts, to share our experiences and to assess and evaluate our CSR commitment.





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# SUSTAINABLE PRODUCTS AND SERVICES

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# Quality of the product range and the customer service

Satisfying customers is essential for the Beaumanoir Group, whose ambition is to become number one in customer relations. Offering quality products, services and support are key components for fostering customer loyalty and continuing our development in the coming years.

**Policies:** Our brands introduced a product quality policy which is based around supplier quality charters, checks and laboratory tests, in particular. We increased our monitoring of our suppliers in 2019, with more production visits and quality audits. At the same time, the Group is working to develop a more ambitious product-sustainability policy. Our logistics business operations have also had an ISO 9001 and OEA certified quality strategy for a number of years.

## Our main objectives

- > 80% of product lines being laboratory-tested
- > 100% of French logistics sites ISO 9001 and OEA certified

## WORKING WITH OUR SUPPLIERS TO ENSURE QUALITY PRODUCTS

Framework agreements define the partnerships between our brands and their suppliers. These agreements are signed by all of our suppliers and contain quality requirements for products sold.

Our "Product Quality" departments have more than 47 employees, including 34 Quality Controllers present in our sourcing countries. They are specifically tasked with ensuring that products are quality compliant in terms of material, manufacture, storage and transit, labelling and packaging, etc.

Quality controls (laboratory tests on physical properties and inspections) are then carried out as part of our testing policy by external audit providers or our own quality controllers before the items are shipped or received at our logistics sites. If a problem is found, the defective items can be repaired. When the defect is deemed unacceptable, the item is refused.

Since 2017, the Group has delegated some checks and delivery approval tasks to its suppliers as part of a trust and accountability strategy, and introduced a system to monitor their checks at the same time. In 2019, the auditing and monitoring on our partners was made more stringent and extended to new suppliers.

## RESULT



**91,141** quality controls<sup>1</sup>

## KPI



2018

**78%**

2019

**83%**

of product lines being laboratory-tested

## WORKING ON THE SUSTAINABILITY OF OUR TEXTILE PRODUCTS

The Group has been striving to offer quality products to its customers for a number of years. In 2019, we decided to apply more demanding criteria to the majority of our families of products, particularly in relation to durability.

At the same time, a working group was set up in order to assess whether our products were complying with the durability criteria set out by the eco-body EcoTLC. This work has helped us to identify room for further progress, which will help us to push forward some of our quality standards in 2020.

## SUPPORTING OUR CUSTOMERS AND PROVIDING QUALITY AFTER-SALES SERVICE

Our brands rely on customer services, which ensure that our customers feel satisfied throughout their buying experience.

Their teams are regularly trained to provide a high-quality welcome and are on hand to answer any customer questions. They are also responsible for handling problems and complaints as quickly as possible. Our customer services can also be accessed by the deaf and hard of hearing, so that they can enjoy the same service as everyone else. At the end of 2019, a post-contact satisfaction monitoring system was rolled out in France, in order to help us better assess the quality of the services that we provide to customers.

At the same time, we ask our customers for feedback on a daily basis via our customer satisfaction surveys. If a customer is not satisfied with our products or their experience, we strive to get back to them as soon as possible in order to better understand why they are unhappy and do whatever is needed in order to resolve the situation.

## RESULT



**182,000**  
customer contacts handled in 2019  
by our Customer Services (France)

## KPI



2018

**96%**

2019

**96%**

customer calls handled (France)

<sup>1</sup> Laboratory tests and inspections

## GUARANTEEING QUALITY LOGISTICS SERVICES

Since 2013, the head office and five of the logistics sites for our C-LOG logistics company based in France have been ISO 9001 certified, which certifies that their quality management system is running properly. In November 2019, their certification was renewed, which also included the Vatry logistics site, which was taken over in 2017. We are aiming to have the seventh logistics site, located near to Orleans and opened in 2020, certified by 2021.

In order to guarantee high-quality customs processes to its customers, the C-LOG head office and its five longstanding logistics sites have been OEA certified (a customs certification) since 2017. The renewed certification, which will include the Vatry site, will come into effect at the start of 2020.

In order to measure customer satisfaction and to implement a continuous improvement strategy, C-LOG introduced a customer satisfaction system in 2018 for the Beaumanoir Group's brands' stores, which was repeated in 2019.



## Customer health and safety

*The number one priority for the Beaumanoir Group is to ensure that customers are not under any risks when buying our products or visiting our stores and that our clothes and accessories comply with the regulations in force. These high standards are vital for the reputation and economic performance of our brands and operations*

**Policies:** In order to ensure maximum safety for our customers, we established a framework and rigorous systems for checking our products, which are based on supplier charters, audits and laboratory tests in particular. Our policy on the chemicals used in our products or in the processes for manufacturing them, which, in some cases, is stricter than the regulations in force, will be made even more stringent in 2020.

### Our main objectives

- > 98% product compliance during chemical tests
- > Increase the number of chemicals tested and the tolerance thresholds in 2020

## GUARANTEEING PRODUCTS ARE HARMLESS

Framework agreements, signed by all our textile suppliers, include a certain number of requirements guaranteeing they are harmless and compliant with the regulations in force in the countries where our brands' products are distributed.

In order to ensure that our products comply, each year, our Product Quality departments in France and China ask independent recognised external laboratories to carry out testing. These laboratories are chosen based on their compliance with international standards and accreditations, and, in particular for China, their accreditation by the Chinese government.

Any non-complying product containing unauthorised substances or substances in quantities that are above the regulatory limits is rejected and cannot be sold.





## APPLYING MORE DEMANDING CRITERIA FOR CHEMICALS

In Europe, our products naturally comply with the European REACH regulation, which limits the use of chemicals and establishes the types and amounts permitted. In China, our products are compliant with GB Standards put in place by the government. These standards prohibit certain substances and limit others.

For many years and in order to protect health and guarantee safety throughout our production chain, as well as reduce our impact on the environment, we have been introducing a strategy that limits or even eliminates certain chemicals in our products and the process for manufacturing them, which is sometimes even stricter than the regulations in force.

At the start of 2020, we wanted to apply even more demanding criteria by:

- Involving more chemicals that may potentially pose extreme risks to health in our testing plan. In 2020, we will increase the number of major chemicals that we laboratory test from 11 to 12.
- Reducing the tolerance thresholds for a certain number of substances, in particular, APEOs.

In addition, we are encouraging our suppliers to use materials and accessories manufactured in compliance with the Oekotex label, which prohibits or limits a large number of chemicals.

### RESULT



**11** key chemical families  
laboratory-tested

## ENSURING THE SAFETY OF OUR STORES

For all of its retail outlets, the Beaumanoir Group complies with the regulations in force for Public Access Buildings (PABs) in the countries where they are located. These regulations specifically include a safety component (e.g. annual checks of fire extinguishers or electrical equipment) and apply to store openings for their entire operational life.

Supervisory bodies and safety commissions regularly come to check our retail outlets are compliant.

## Textile materials

*In the Life-Cycle Analysis for a textile product, the raw material (fibres and treatments) accounts for the main environmental impact. On the basis of this issue, the high expectations from our customers and stakeholders, and the overall development of the fashion market, the Beaumanoir Group has wanted to move its product range towards sustainable products more quickly, and to involve more eco-friendly textile fibres in its collections.*

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**Policies:** In 2019, the Beaumanoir Group developed and started to roll out an ambitious policy for procuring more sustainable raw materials for all of its brands. In particular, we set ourselves the targets of replacing all conventional cotton (our main material in terms of volume) with organic, recycled or sustainably-grown cotton, and working on more responsible alternatives for polyester and viscose. This policy echoes commitments made by our Group as part of the Fashion Pact.

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### Our main objectives

- > 100% sustainable cotton in 2025
- > 50% sustainable textile fibres in 2025

## ESTABLISHING OUR MATERIALS STRATEGY

In 2019, the sourcing teams focused on analysing the Beaumanoir Group's "mixed materials", understanding the environmental challenges linked to each of them and the possible options for minimising their impact on the environment.

The most used materials overall by our brands are currently cotton, polyester and viscose, which account for more than three quarters of our procurement volumes. These materials also have significant environmental impacts, such as water use and chemical inputs.

As a result, the Group has understandably wanted to focus its short-term and medium-term efforts on these three materials.

## USING MORE SUSTAINABLE FIBRES

Cotton accounts for 32% of the materials used by the Beaumanoir Group. The Bonobo brand has used sustainable cotton in its products for a number of years. We are currently extending this approach to all of our European brands, so that our collections only use sustainable cotton by 2025.

In order to achieve this, we focused on three types of alternative cotton:

- Organically-grown cotton
- Recycled cotton
- Sustainably-grown cotton

Our organic and recycled fibres comply with international standards (the Global Organic Textile Standard (GOTS), the Organic Content Standard (OCS), the Global Recycle Standard (GRS) or the Recycled Claim Standard (RCS), respectively) and are certified by recognised independent organisations.

We procure our sustainably-grown cotton supplies as part of our partnership with the Better Cotton Initiative (BCI).

Looking beyond cotton, the Beaumanoir Group is committed to increasing its use of eco-friendly fibres, in particular, recycled polyester and viscose from sustainably-managed forests.

KPI

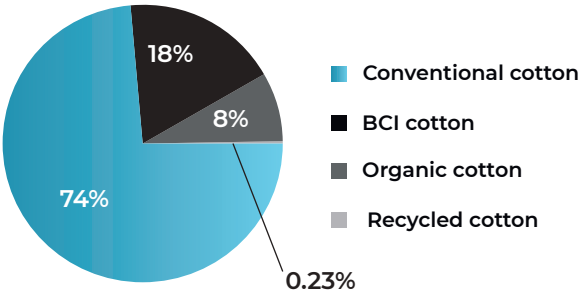


**26%** worldwide

**37%** Europe / Middle East area

sustainable cotton in 2019

Type of cotton used in the Group's collections



SUPPORTING CHANGE

In order to ensure that we achieve our objectives, we focused on providing training for our procurement teams in France and in our sourcing offices during 2019.

The Group developed an internal training programme dedicated to these areas, which details:

- The environmental impacts of our main raw materials.
- Alternative materials, while also discussing any potential technical and financial constraints.
- The group's traceability requirements.

All of the procurement and sourcing teams will have received training in these areas by March 2020.

At the same time, we are continuing our work to support suppliers, through individual or group training, depending on the issue or the country.

In addition, the issue of "Sustainable materials" has been included in the business reviews for all of our key suppliers. Going forward, this issue will automatically be addressed twice a year, in the same way as quality performances, products or timeframes.

# Animal welfare

*Fashion has always used materials from animals in manufacturing products. Respecting animals has become a significant concern for many people. It is vital for our brands that the Beaumanoir Group offers alternatives to these materials and ensures animal welfare while living up to the growing expectations of its customers.*

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**Policies: The Beaumanoir Group condemns the mistreatment of animals. We are committed to respecting and protecting animals by removing some animal-derived materials from our collections and requiring guarantees from our suppliers.**

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## Our main objectives

- > 100% of our suppliers committed to protecting and respecting animals in 2020
- > 100% of animal-derived materials are supplied from farms that respect animal welfare

## PROHIBITING CERTAIN ANIMAL MATERIALS

For several years now, all of our brands have stopped using real fur and angora hair in their collections.

Overall, animal-derived materials only account for a very small proportion of our fibre use and we are working to find replacements for some of them. As a result, Bonobo has developed new jacrons<sup>1</sup> for its denim products, made out of paper or recycled animal leather. To date, almost half of the Bonobo jeans collection uses these new jacrons.

## RESULT



**1.7%** fibres are animal-derived

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<sup>1</sup> Jacron: branding items, often made out of leather, placed on the back of jeans

## FIGHTING AGAINST THE MISTREATMENT OF ANIMALS WITH OUR SUPPLIERS

In 2018, we significantly bolstered the “Respecting animals” section of our Supplier Ethical Charter, with the aim of aligning ourselves with the most stringent international standards such as the Five Freedoms for Animal Welfare provided by the World Organisation for Animal Health (OIE) and the CITES (Convention on International Trade of Endangered Species).

Therefore, animal-derived materials come from animals treated ethically and responsibly when they are reared and slaughtered. Materials from slaughtered animals must only come from animals intended for the meat industry

By signing our Ethical Charter during referencing, our suppliers join us in committing to protecting and respecting animals. To date, 93% of them have signed our charter, including 100% of suppliers for European brands. We will stop working with suppliers who have not done so in the coming months.



## SELECTING ANIMAL MATERIALS

In 2019, we started work to select animal fibre suppliers, ensuring that our materials come from farms that respect animal rights.

As a result, 100% of the mohair contained in our products comes from a single supplier nominated by the Beaumanoir Group. This means that we do not accept any other mohair fibre source. We have implemented the same process for cashmere.

Furthermore, this year, we have worked on a new tool that will help us to ultimately trace 100% of our animal materials (such as feathers, horns and alpaca). We are implementing a continuous improvement strategy.



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## A FAIR AND STIMULATING WORK ENVIRONMENT

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# Attracting and retaining talent

*It is thanks to our employees and their dedication that the Beaumanoir Group has been able to grow as it has since its creation. Attracting, developing and retaining talent are key opportunities for our brands' and businesses activities' economic performance.*

**Policies:** In order to continue raising the Group's reputation as an employer and make new staff want to join us, we prefer to offer permanent contracts and set up innovative recruitment schemes and preferential partnerships with specialised schools in our region and/or schools specialising in our work. We are also working towards having a training policy that fits with our ambition of being a company where all of our staff can keep learning throughout their careers

## Our main objectives

- > More than 85% of permanent contracts among the workforce
- > 100% of employees have an annual review with their manager by 2022
- > 100% of managers received training in management by 2022

## RECRUITING NEW EMPLOYEES

Throughout all of our companies and territories, the Group recruits several hundreds of employees each year across its creation, distribution and logistics business lines. These recruitments are usually on permanent contracts.

In order to attract talent, in 2019, we redesigned the employer pages on partner jobboards, in order to enable applicants to get a better idea of the workplace environment in the Group and increased the amount of content on this issue on our professional social media platforms. We are proud of our presence in the Saint Malo region and also held our first Group recruitment fair there, called *Beaumanoir on the Beach*. This unique event gave more than a hundred applicants the chance to come and meet staff on Saint Malo beach, so that candidates could find out about their work and make initial contact with recruitment officers.

At the same time, pre-existing recruitment schemes were continued, such as job dating days, referral programmes, the "A Job for my Spouse" scheme for staff moving to the Saint Malo area, involvement in school forums and setting up partnerships, including the Career Booster programme with Rennes School of Business.

In order to make recruitment in our network of stores easier, at the end of 2019, the Group entered into a partnership with the *Job Hopps* application, which made it possible to apply for a number of part-time contracts simultaneously. This is now active for all relevant posts. In light of the successful tests on the Chatbot recruitment assistant carried out in 2019 for applicants wanting to work in our Parisian stores, the Group decided to roll out the system for our entire network in 2020.

## RESULTS



**4,407**

employees as  
of 29/02/2020

**12**

school partnerships  
(France)

## KPI



2018

**89%**

on permanent contracts in  
the workforce

2019

**90%**

## DEVELOPING TALENT

There are a number of programmes for supporting employees along their career path. The *People Review* career review system gives managers the opportunity to discuss employee development opportunities and plot career trajectories.

Employees are then given support along these trajectories through our training policy. In 2019, the Group continued to develop e-learning modules and the first promotions in the *Beaumanoir Talent Programme* for managers took place.

Finally, our range of job roles and our policy of favouring internal promotion helps us to offer a career plan and real development opportunities to employees who are interested, responsible, and keen to get stuck in. There are a great number of examples of employees who have changed post since entering the firm, in our stores as much as in our offices and logistics sites.

## RESULT



**1,810**

employees received  
training in 2019

## KPIs



**77%**

of employees<sup>1</sup> had an  
annual review with their  
manager in 2019 (France)

**63%**

of managers received  
training in management  
in 2019 (France)

## BOLSTERING OUR EMPLOYER BRAND

In order to make it easier to become part of the "Beaumanoir Tribe" and start a new role, integration processes have been introduced across the board for staff in head offices and store managers based in France, accented by two-week induction courses and a mentor scheme. The brands' objective is to develop integration processes for all our in-store teams from 2020 onwards.

Regular internal events, the ASGB sporting association run by and for employees of sites in Brittany and sponsored by the Group and collaborative projects, such as a vegetable garden at our Cambrai logistics site and the installation of beehives near to our logistics sites, also help employees to enjoy themselves together.

The Beaumanoir Group continued to encourage well-being at work among its employees with the establishment of a sports club in Paris in 2019.

## KPI



2018

**4.7**

2019

**5.0**

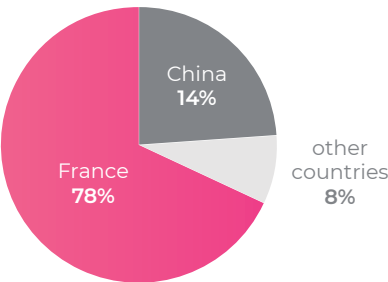
years of tenure on average

## ENCOURAGING HIGH-QUALITY SOCIAL DIALOGUE

In France, the Group has focused on working time with its social partners. Company agreements are regularly signed on this issue, aiming to marry company performance with quality of life at work.

In 2019, a Group agreement on hiring and keeping disabled people in work was signed by all representative trade union organisations for French companies.

Staff distribution by country



## Diversity and equality of opportunities

*Respecting equality of opportunity and treatment between employees is a regulatory obligation and one of the Company's key requirements. It is also an opportunity for development and improved economic performance for a company like the Beaumanoir Group.*

**Policies:** Respect is one of the seven key values of the Beaumanoir Group. Fighting against any form of discrimination in the recruitment process and at work is a fundamental principle of our Ethical Charter. We also encourage hiring young people, as well as disabled people through our Disability Mission. A Group agreement on hiring disabled people and keeping them in their roles was signed during 2019 in France, setting objectives for us and committing us to taking a number of short-term and medium-term measures.

### Our main objectives

- > Gender equality among senior executives
- > Men make up at least 20% of the overall workforce by 2022
- > Disabled people make up at least 4% of employees by 2022 (France)

## FIGHTING AGAINST DISCRIMINATION

The Beaumanoir Group's ethical charter reaffirms our commitment to fighting against any form of discrimination in employment and promoting, in all our branches, to real professional gender equality, diversity and the right to work for all, focusing our social policy on skills and performance.

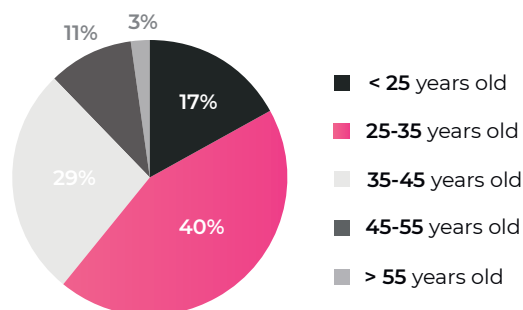
The Ethical Charter, available on our website, has been distributed to all Group employees. Mandatory e-learning training was introduced to ensure the principles of this guiding document had been taken on board by all.

An Ethical Committee, made up of company directors, meets twice a year in order to ensure that teams remain on top of this area.

## HELPING YOUNG PEOPLE INTO EMPLOYMENT

Helping young graduates on the job market into employment has always been important to the Beaumanoir Group. Today, almost 40% of our employees are younger than 30 years old. In France, we already have a number of partnerships with schools and set up new partnerships in 2019, such as with the Saint-Malo IUT University Institute of Technology, the Angers ESSCA School of International Business Management, the Atelier Chardon Savard fashion school and the Faculté des Métiers training school.

Staff distribution by age



## ENSURING GENDER EQUALITY

We are mindful of ensuring that women and men are treated equally throughout their career within the Group.

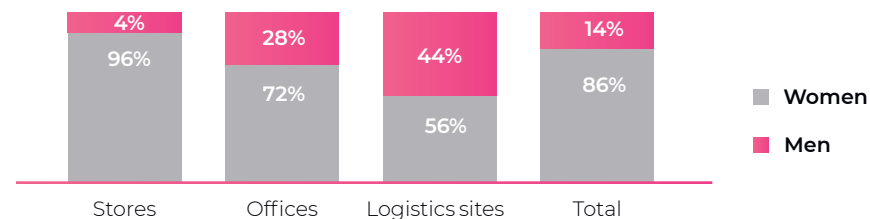
The human resources teams ensure that only ability to do the job is taken into account when hiring, and that everyone has the same access to training.

For pay, a job classification grid was implemented in 2018. It helps us to ensure equality between employees, objectively assess employment categories and analyse any salary discrepancies, particularly between men and women. If an unjustified wage gap is established, the company will take action to resolve the situation.

At the same time, other initiatives have been implemented in partnership with staff representatives as part of action plans for gender equality and reviews are performed each year to identify any areas for improvement.



Staff distribution by gender

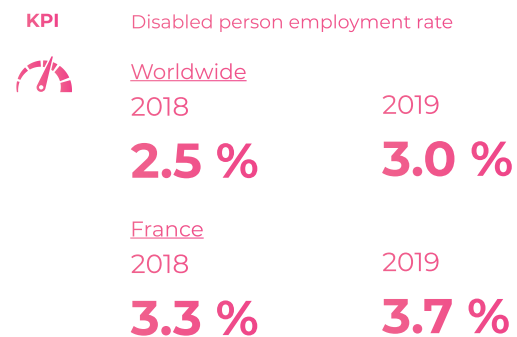


## EMPLOYMENT AND RETENTION OF DISABLED PEOPLE

The Beaumanoir Group has been working to promote hiring disabled people and keeping them in their roles, by improving workstations, purchasing services and products within the sheltered sector, improving employees' understanding of disability, raising employee awareness of European Disability Employment Week and even home-based employment of severely disabled people for certain administrative tasks.

Twice a year, the Group continues to take part in the Hello Handicap virtual recruitment fair, which is helping us to recruit many people on temporary contracts each time, mainly online. In particular, this scheme gives people who are interested in the ready-to-wear sector the opportunity to find out what these jobs are really like and work out whether they are suitable for these roles.

Our Disability Mission, which was established in 2018, embodies the group's disability ambitions and promotes disability issues to our team throughout the year.





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# ETHICAL PARTNERSHIPS

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# Business ethics

*In a constantly developing regulatory context, compliance with ethical business rules is a key value for the Beaumanoir Group and is vital for ensuring sustainable and profitable development*

**Policies:** Our commitment is to be a responsible company wherever we operate and for all our directors and employees to comply with the laws and regulations in force. We rely on our Ethical Charter, employee training and a system that enables anyone to alert management of unethical incidents or behaviour in order to prevent conflicts of interest, corruption and fraud, and comply with competition laws.

## Our main objectives

> 100% of staff at the Group headquarters with increased awareness of business ethics by 2021

## MAKING OUR BUSINESS CONDUCT REQUIREMENTS MORE STRINGENT

After risk-mapping work carried out in 2017, the Beaumanoir Group drew up an Ethical Charter for all of its employees, suppliers and partners.

This Ethical Charter, available on our website (<https://www.groupe-beumanoir.com/en/the-group-and-his-values/>), lists the Group's main values and the ethical principles that we uphold when conducting business: reliability, sincerity, equality, social responsibility and fighting against corruption.

It also specifies the rules that must guide employee behaviour in their professional practices, particularly with our partners.

## PREVENTING AND FIGHTING AGAINST CORRUPTION AND TAX EVASION

We have a strict, explicit and detailed policy on corruption within our Ethical Charter, as well as a procedure that must be followed should suspicious conduct be discovered.

In order to further bolster our scheme for combatting fraud and tax evasion, we introduced new rules relating to referencing and paying our suppliers in 2018.

## TRAINING EMPLOYEES

In order to help our employees to get to grips with the Ethical Charter, an information and awareness campaign was rolled out in 2018 with a dedicated and mandatory e-learning module in France. Classroom training for employees most at risk (purchasing teams, quality controllers, etc.) was introduced at the same time, particularly in our main purchasing and liaison offices. We continued to roll out these training modules in 2019.



## OFFERING AN ALERT SYSTEM

At the same time, a Committee made up of Group directors and presided over by our Executive Management was created in 2018. This committee is intended to deal with any potential warning signs, with a notification procedure available to all of our employees, but also to ensure continuous progress in terms of compliance.

## COORDINATING THE APPROACH ABROAD

In order to ensure that we fulfil our commitments abroad, the Beaumanoir Group appointed compliance representatives in its main subsidiaries: China, Bangladesh, Turkey, Switzerland and Spain.

<sup>1</sup> Employees working in offices (excluding stores and logistics sites)

# Responsible purchasing practices

*Due to its business operations, the Beaumanoir Group has to work with numerous suppliers. It is important for us to comply with the regulations in force governing relationships between customers and suppliers. It is also important to secure our supply chain and build solid partnerships with companies, developing ourselves in the long term and committing to a progressive momentum together.*

**Policies:** The Group's responsible purchasing approach is based on the "Supplier Relationship Management" programme, with the aim of establishing sustainable, balanced and trusted relationships with our suppliers. Our objective for the years to come is to continue rolling out this programme and therefore continue to create a solid supplier base, especially with people who want to build long-term partnerships.

## Our main objectives

> 85% of key textile suppliers have solid partnerships with the Group's brands by 2021

## IMPROVING SUPPLIER RELATIONSHIP MANAGEMENT

The Beaumanoir Group currently works with 341 textile and fashion accessory suppliers world-wide.

In order to improve efficiency, and adapt and refine our strategy based on supplier categories, since 2017, we have had and have used a "Supplier Relationship Management" (SRM) tool in France.

Some of the aims of this programme include:

- Improving our knowledge about our suppliers
- Streamlining and sustaining our supplier base
- Managing risks
- More easily identifying potential suppliers with whom we can develop strong partnerships
- Promoting the development of commercial relationships in the long term
- Better monitoring suppliers' financial and extra-financial performances
- Promoting innovation

Our Chinese and French subsidiaries assess their suppliers every year on a range of quantitative criteria, which then means they can be classified based on their performance levels. Therefore, suppliers identified as strategic are offered a partnership agreement with long-term mutual commitments.

## RESULT



**341**  
suppliers

## KPI



2018

**74%**

2019

**78%**

of our key suppliers<sup>1</sup> have worked with the group's brands over the last 2 years.

## SUPPORTING CHANGE

With this objective in mind, since the Beaumanoir Group's Sourcing Department was created in 2018, it has provided support to textile and ready-to-wear suppliers with a team dedicated to supporting and implementing the SRM programme, as well as other supportive measures.

In addition to existing tools, such as:

- Framework agreements governing the commercial relationship with all of our suppliers (specifications)
- Supplier profiles and factory profiles that help us to find out more about our suppliers
- Supplier assessment and categorisation tools

operational assessments have taken place since 2019, particularly with the main suppliers.

<sup>1</sup> Suppliers accounting for more than 80% of the Beaumanoir Group's procurement amount

# Human rights and working conditions in the supply chain

*It is vital for an international group and a significant purchaser like the Beaumanoir Group to take the necessary measures so that products sold are manufactured in respect of human rights and international regulations on working conditions.*

**Policies:** We introduced a Supplier Ethical Charter which details our requirements on human rights and labour law, which our suppliers commit to upholding in their factories. This mechanism is supported by a social auditing policy and inspection visits in all our sourcing countries, and, where necessary, a support programme for factories to implement corrective actions.

## Our main objectives

- > 100% of textile factories<sup>1</sup> (Tiers 2) mapped by 2025
- > 100% of garment factories (Tiers 1) and textile factories<sup>1</sup> (Tiers 2) outside the European Union audited by 2021 and 2025, respectively.

## TRACING OUR SUPPLY CHAIN

We currently work with 341 suppliers and 868 Tiers 1 factories across 23 countries.

The Beaumanoir Group has a full picture of its ready-to-wear garment and accessory factories (Tiers 1), as well as the jean fading factories (Tiers 2). It also has a partial picture of the production phases for fabric production and dyeing. In the years to come, we are setting out to increase awareness of what is happening across our supply chain, particularly in the dyeing and weaving phases.

### RESULTS



23

production countries

868

factories (Tiers 1)

## SECURING COMMITMENT FROM OUR SUPPLIERS

In order to mobilise our suppliers on these issues, our Supplier Ethical Charter specifies our brands' requirements when it comes to production sites, manufacturing conditions and products.

<sup>1</sup> Fabrics from "nominated" suppliers/factories, which have been chosen by the Beaumanoir Group

This charter also includes:

- The Amfori BSCI code of conduct, to which we have signed up since 2013<sup>1</sup>, and which lists our social and environmental requirements: prohibition of child labour and forced labour, special protections for young workers, work hours and pay, health and safety at work, freedom of association, non-discrimination, no insecure jobs, environmental protection and a corporate social responsibility policy.
- The rules on classifying new factories and an official ban on undeclared subcontracting.

In order to work with our brands, all our partners must sign our Supplier Ethical Charter and therefore commit to complying with our code of conduct and the social and environmental standards within it. To date, 93%<sup>2</sup> of them have signed our new charter. Our brands will stop working with suppliers who have not done so in the coming months.

## SECURING COMMITMENT FROM OUR ENTIRE SUPPLY CHAIN

We are asking our suppliers to send our code of conduct to their sub-contractors and suppliers (for a "cascade effect").

In 2019, we continued to roll out our "Going Beyond Tiers 1 – Cascade Effect" pilot project, with the aim of managing and improving working conditions for our entire supply chain, beyond just Tiers 1. Therefore, we have systematised mapping all of our suppliers' sub-contractors in Bangladesh, and have rolled out the project to our main suppliers in Turkey and India. The project is currently being rolled out in China.

## AUDITING OUR SUPPLIERS

In order to check our social and environmental standards are being maintained, we regularly audit whether our suppliers' production sites are compliant. Social audits are performed in factories identified as priorities in relation to order quantities, the level of risk associated with the production country, the type of product being produced and more.

They are either performed internally by our four social auditors in China, Turkey, Bangladesh and France, or by external providers that have been recognised and accredited by Amfori BSCI. Throughout the year, we conducted 302 social audits.

To get a realistic image of working conditions, we are organising more and more unannounced or semi-announced audits (the factory does not know at all when our auditors are going to come or does not know exactly). We are going to strengthen this policy even further in 2020 so that it becomes the norm.

Professional staff in our sourcing and liaison offices, distributed around the main sourcing countries, also ensure that there is a sustained presence on the ground and perform checks upon each visit to a factory on the main areas of social conformity using our internal tool, the "Factory Checklist".

<sup>1</sup> Amfori BSCI is an international organisation that includes contributors from different business sectors with the objective of improving working conditions in their supply chain and in at-risk countries. Amfori BSCI suggests a shared Code of Conduct based on recognised international conventions which cover protecting workers' rights.

<sup>2</sup> 100% for European brands

## Tiers 1 factory audits (29/02/2020)

Brands	Production area	Total number of Tiers 1 factories	% of Tiers 1 factories audited
Cache Cache Europe, Bonobo, Bréal, Morgan	European Union	165	27%
	Outside of the European Union	575	99%
Cache Cache China [stores in China]	Outside of the European Union	128	48%
<b>Group total</b>	<b>Worldwide</b>	<b>868</b>	<b>78%</b>

### RESULT



**302**

social audits performed over the period



### KPI

2018

**66%**

of Tiers 1 factories outside of the EU audited

2019

**90%**

## SUPPORTING OUR SUPPLIERS AS PART OF A PROGRESS STRATEGY

The Beaumanoir Group is committed to a progress strategy for building secure and trusting partnerships with our suppliers, particularly in relation to social performance.

We inform our suppliers in advance about the Amfori BSCI process and the audit procedure carried out by our teams or external providers, along with their evaluation criteria. They also have the option of doing preparatory training for the audit and to self-assess in order to improve certain points in advance, if necessary.

Once the audit has been carried out, if the results are poor, we will support our suppliers with a progress strategy that puts in place a corrective action plan, which will enable them to embark on a continuous improvement strategy. In the sourcing countries, compliance and production managers in factories can also attend free training sessions organised by Amfori BSCI. Our Sustainable Sourcing division directs our partners towards these different training courses based on their needs or the type of non-conformity discovered during audits.

In 2019, we focused our factory support policy on the social aspect, by carrying out fewer audits so that we can devote more time to our teams in order to support the factories in analysing the causes of non-compliances and in implementing corrective action plans. Our efforts have been particularly focused on reducing overtime in Bangladesh and improving fire safety and electrical equipment in the factories in India.

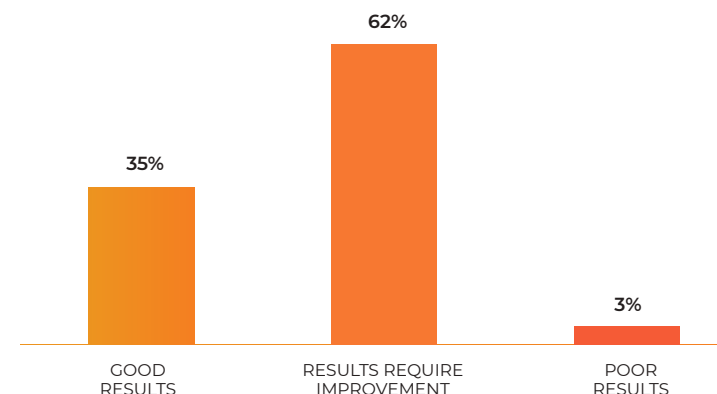
### KPI



**35%**

of Tiers 1 factories outside of the EU<sup>1</sup> awarded a "good" result in 2019

## Compliance of factories audited (excluding the Chinese subsidiary)



## REQUIRING COMPLIANCE

Our suppliers' compliance with established social and environmental standards is essential for all our labels.

For production sites that deviate considerably from the Supplier Ethical Charter and the Code of Conduct, we apply a graded sanctions system which extends from a warning for sites that commit to implement sufficient corrective actions, to definitively terminating the commercial relationship for sites that refuse to commit to a progress strategy.

<sup>1</sup> Excluding the Cache Cache China brand





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# A MANAGED ENVIRONMENTAL FOOTPRINT

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# Preserving water and the oceans

Water plays an essential role in our value chain, whether upstream in sourcing fibres and processing textiles, or downstream in the use of our products by our customers. Saving water is therefore a priority for the Beaumanoir Group, particularly in increasing the resilience of its business model faced with strained natural resources and in limiting the risk of our reputation being damaged.

**Policies:** The Beaumanoir Group is committed to reducing the quantity of water consumed and maintaining the high quality in its supply chain through a policy of targeted environmental audits, performed in key production units. At the same time, our brands are deploying eco-design strategies for their products and packaging and are raising awareness among their customers, aiming to save more water and better protect the oceans, in particular.

## Our main objectives

- > 100% of denim and pants washing plants audited in 2020
- > 100% of e-commerce packaging made out of recycled and/or renewable materials by 2022

## CERTIFYING WASTEWATER TREATMENT AND ENSURING BETTER WATER MANAGEMENT IN FACTORIES

One of the major challenges for water use and pollution in the textile sector is the dyeing and fading of products.

In 2018, we initiated an environmental audit programme on our ready-to-wear clothing factories and the fading plants for our jeans and trouser supplier; our main objective was to ensure that there is a functioning wastewater treatment plant in each factory. In 2019, we continued this environmental audit work, as well as efforts to implement corrective-action plans. If the coronavirus-related events in early 2020 had not occurred in China, our objective of having audited 100% of denim fading units by the end of February would have been achieved.

The most common corrective action that needs to be carried out for the factories is installing water meters for factories as a whole and for each production stage. The meters help to identify the production processes that use up the most water and the measures that need to be implemented as a priority. They also help to identify the amounts of water saved.



<sup>1</sup>Environmental audit on wastewater treatment plants

## ENSURING THAT THE WATER USE FOR PRODUCT-PROCESSING METHODS IS REDUCED

Bonobo has been working to change the washing and dyeing processes for jeans for several seasons, replacing them with new technologies that use less water and chemical treatments, such as:

- Ozone fading, achieved by transforming oxygen in the air to give a faded and used effect to denim
- Lasers in order to create effects on denim while it is dry, without using chemicals
- Fading using recycled fruit pits, mainly olives
- The e-flow procedure for its new eco-friendly Geans range, which was launched in spring 2018 and will be expanded in 2019 and 2020
- Colourings from agri-food waste (such as nut shells, sugar beet waste and palm leaves) on several designs placed on sale in early 2019

These innovative fading processes reduce water use by 70 to 100% for each pair of jeans compared to traditional processes. The ozone fading and the e-flow will also help us to use at least 50% fewer chemicals and therefore better protect water quality and the oceans.

At the same time, in 2019, Bonobo started to only use conventional finishing processes for accessories (such as zips, buttons and rivets), which require less water, fewer chemicals and less energy.

## REDUCING OUR PLASTIC PACKAGING

In 2019, measures were taken to reduce the number of polybags used for dispatching products from our sourcing countries. We are aiming to continue these efforts, all while maintaining the high quality of our products, as this packaging helps to protect the products against humidity and makes it easier to handle them.

At the same time, a working group responsible for reviewing e-commerce packaging has been set up this year, with the ambition of only having packaging made out of recycled and/ renewable materials in France by 2022.

## GETTING CLIENTS TO COMMIT

In France, the Beaumanoir Group brands are making their customers aware of what they can do to save more water when they wash their products.

Environmentally-friendly product-care recommendations feature on our washing labels, as well as the logo for “clevercare.info”, a website where eco-friendly clothing care advice is given.

At the same time, we made the Cofreet “Mon Etiquette” app available to French sales teams. This provides high-quality advice to customers on caring for their clothes and raises awareness on preserving the environment, and water in particular.

# Energy and climate change

*Faced with regulations aiming to reduce energy consumption and the associated pollution, the rising cost of energy and the Company's high expectations regarding the climate, the Beaumanoir Group must act across the entire value chain to limit the impact of its activities and improve its economic performance.*

**Policies:** For many years, our companies have committed to reducing their energy use and are implementing energy efficiency programmes across all of their sites. We are also limiting the impact of our operations on climate through targeted policies (such as procurement and logistics), supporting our suppliers and strongly committing to renewable energies.

## Our main objectives

- > 100% of electricity from renewable sources by 2025 in France
- > 100% of French logistics sites ISO 14001 certified
- > 30% reduction in greenhouse gas emissions by 2030 (based on 2019 levels)

## MEASURING OUR IMPACT

In recent years, a number of the Group's brands have carried out their carbon footprint (scopes 1 to 3) and their greenhouse gas audits (scopes 1 and 2). In 2019, it was C-LOG's turn to start its carbon footprint on its logistics and shipping operations. Then, in 2020, it will be done by the entire company. This work to measure GHG emissions helps our teams to identify and assess the main emissions sources and develop their carbon strategy for the years to come.

In 2019, the Cache-Cache, Bonobo, Bréal, and Morgan brands, as well as the Vib's label, carried out a further statutory energy audit for their activities.

## REDUCING OUR ENERGY USE

In France, the Group introduced a number of measures to reduce **in-store** energy use:

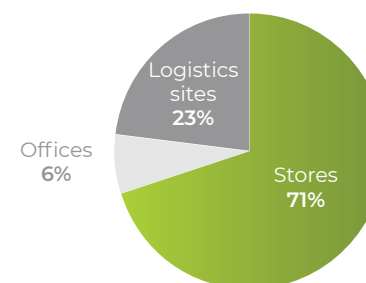
- 2018 roll-out of an energy-efficiency programme in all our branches, in partnership with a specialist company.
- Automatic installation of LED lighting and high-performance heating and air-conditioning equipment during renovations and openings
- Improved thermal insulation and air-sealing for stores
- More stringent energy performance requirements for premises which are delivered to us (compliance with Thermal Regulation 2012 or 2020)

In 2020, the "My responsible store" e-learning module intended for store teams will make staff even more aware about how to properly manage energy in particular.

At the C-LOG **logistics sites** based in France, significant work to save energy has been underway in recent years. For example, LED lighting has been installed, zonal lighting is being used and heat losses are being resolved. In 2019, the building maintenance team implemented new action plans following detailed analysis of energy use. Amendments and adjustments have been made in existing premises, Building Management Systems (BMS) have been enhanced and some investments have been made, which have helped us to make 8% energy savings overall compared to the previous year. Two of our logistics sites are certified by both HQE Construction and THPE on the one hand, and by HQE Production on the other hand.

In our **offices**, the characteristics of our office equipment, the default settings (such as email signatures and search engines) and our employees' awareness of eco-friendly actions all contribute to reducing our energy use. A Green IT Committee, which was created at the start of 2019, is responsible for coordinating this approach.

## Distribution of energy consumption by site



## RESULTS



Energy consumption:

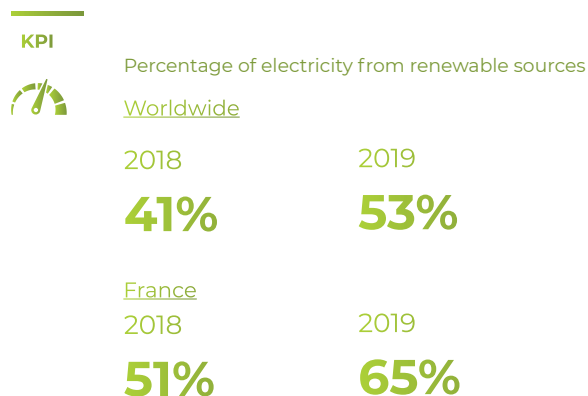
**33,618** MWH

electricity: **29,156** MWH

gas: **4,462** MWH

## PRIORITISING RENEWABLE ENERGY

Electricity now accounts for 87% of the Beaumanoir Group's overall energy. Since 2015, our companies have been buying electricity from renewable sources for their logistics sites, offices and stores. In France, our objective is to have 100% green electricity by 2025.



## REDUCTING GREENHOUSE GAS EMISSIONS

Based on the carbon footprints carried out by its brands and its operations, the Group is working to reduce the main sources of greenhouse gas emissions and is introducing a certain number of initiatives:

- Inputs: Use of organic, recycled or responsibly-sourced and produced fibres, with a lower carbon impact, in our collections (see the "Textile materials" section).
- Transport: Steady level of sea shipping for our brand's products in 2019, after a large rise in 2018. Shipping by train, which was tested between France and China in 2018, continued to be used in 2019 and will potentially be scaled up in the next few years for large imports. For shipping products from logistics sites to our stores, this year, we launched a pilot project to use electric vehicles to make deliveries to five retail outlets in Ille-et-Vilaine.
- Logistics: ISO 14001 certification for the main logistics headquarters and six logistics sites in 2019. We are aiming to have the seventh C-LOG logistics site, which will start up in 2020, certified by 2021.
- Employee travel: In 2019, work was initiated in France to move the company fleet towards less polluting vehicles; this work will continue in 2020 and we are aiming to reduce the average CO2 emissions rate by 10% by 2021.

- Use and end of life of products: Raising customers' awareness of good clothing care techniques using labels, brand websites and in-store team training. In 2020, all of our brands will offer their customers a solution for reviving their worn-out clothing (see the "Circular economy" section).

The supply chain also accounts for a significant proportion of the Group's climate impact. Thanks to our commitment to the Amfori BEPI (Business Environmental Performance Initiative) strategy, this year, along with our main suppliers, we have conducted a review of the overall environmental performance of their factories (such as water, energy, waste and pollution). The project was rolled out in about sixty factories in Bangladesh, China, Turkey, Morocco and Portugal:

- Collecting a full set of environmental data on the previous three years via the self-assessment questionnaire
- Analysing the level of environmental management at each production site
- Preselecting four priority environmental areas, based on the factory level, its production processes and its impacts on the environment.

2020 will be devoted to implementing support measures and/or corrective actions in factories, such as specialised consulting missions, technical training<sup>1</sup> (such as energy management, waste-water management and environmental management systems), chemical product management audits, wastewater tests or sludge<sup>2</sup>...

<sup>1</sup>Training via e-learning sessions and workshops/seminars/classes offered by Amfori in the main sourcing countries.

<sup>2</sup>Sludge: waste from wastewater treatment plants after wastewater is removed



# Circular economy

*The circular economy legal framework is being significantly strengthened in France. For the Beaumanoir Group, this means properly managing waste generated by its operations and getting its stakeholders to commit, in particular. This also creates an opportunity for our brands and operations to offer new services to their customers.*

**Policies:** The Beaumanoir Group has established programmes aiming to separate and recover waste and is rolling them out across all sites. It is also implementing a support policy for its suppliers, which focuses on these issues. In addition, the Group's brands are committed to offering a service to customers to revive their worn-out clothing, so that it can take on a second life.

## Our main objectives

- > 100% of waste from logistics sites recovered and almost 95% of waste recycled by 2025
- > 100% of stores in France offer a service to revive worn-out clothing in 2020<sup>1</sup>

## OPTIMISING WASTE MANAGEMENT ON OUR SITES

In **stores**, managing general waste is a complex process because the separation and recovery options depend on the site (mixed development area, city centre or shopping centre) where the store is located. In 2019, in order to ensure that the cardboard and plastic waste is properly recovered, a pilot project has been established with a specialist company on part of the Vib's network. It should be extended to other Group brands in 2020. At the same time, for a number of years, our Group has been working with the eco-organism Valdélia in order to ensure that waste from furnishings is recovered.

At our **logistics sites**, we recycle our operational waste, including cardboard, paper, wood, glass, metal and some plastics. In order to further improve our separation levels, in 2020, we are aiming to redesign the site's signage, adapt some sorting containers and raise awareness among the teams. Beyond this waste, we are trying to give a new lease of life to products, such as mannequins, coat hangers and decorative items for stores. In 2020, we would like to establish new partnerships in order to find new potential uses for other products that stores no longer need.

In our **offices**, both in France and in the majority of countries where the Group operates, our employees may separate their waste.



<sup>1</sup>Service offered for at least two weeks per year in subsidiary stores

## SUPPORTING OUR SUPPLIERS IN MANAGING THEIR WASTE

The Beaumanoir Group ensures that the factories with which its brands work manage their waste appropriately. At a minimum, it will require:

- Compliance with legal obligations,
- Up-to-date required permits,
- Dangerous and non-dangerous waste segregation,
- Waste management workers training
- No waste being incinerated on site.

## GIVING TEXTILE PRODUCTS A NEW SECOND LIFE

The Beaumanoir Group aspires to play a role in developing circular fashion. Therefore, in 2019, our brands took action, along with some sixty other brands from the sector, coordinated by the eco-organism EcoTLC, for the first awareness-raising campaign aimed at citizens, encouraging them to give products a new lease of life. Named #RRR (#RéutilisonsRéparonsRecyclons - #ReuseRepairRecycle), the project was rolled out on social media and in stores during October. Our brands will once again take part in 2020, and intend to relay messages throughout the year on their website and on their social media.

Beyond raising awareness, the Group's brands are hoping to make waste-separation easier for their customers. For a number of years already, Bonobo and Vib's stores have been offering a free service to revive their worn-out clothing. In 2019, there was a pilot project with the company Rescue, which gives customers the opportunity to have their clothes bought back in order to give them a new lease of life (materials are reused or recycled when they are too damaged). Following this pilot project, the scheme will be offered in all of our subsidiary stores in France in 2020.

At the Saint-Malo headquarters, the procurement teams are also making sure that they get more out of the fabric samples that they receive from suppliers. They are given to the tailoring workshop at the Tréleau Medical Institution and help young disabled people to train and manufacture all types of small items.

### KPI



39%

of stores offering a service to revive worn-out clothing in 2019 (France)

## GIVING TO CHARITIES

Unsold stock for our brands are managed by C-Stock, our stock-clearance company.

Clothes and fashion accessories with a minor defect in terms of quality, which cannot be placed on sale, are given to local partner charities, such as the Relais, the Restos du Cœur, the Secours Populaire and even the French Red Cross. They are then responsible for donating them or selling them at an affordable cost in their own shops.

None of our products are destroyed, except for those which would pose health or safety risks.



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# CSR RESULTS

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## INDICATORS PUBLISHED IN THE REPORT

CHALLENGES AND INDICATORS	TYPE	SCOPE	UNIT VALUE
<b>PRODUCT RANGE QUALITY AND CUSTOMER SERVICES</b>			
Percentage of product lines laboratory-tested	KPI	worldwide	83%
Number of quality controls	Result	worldwide	91,141 (number)
Percentage of logistics sites ISO 9001 certified	KPI	worldwide	6/7 (ratio)
Percentage of logistics sites OEA1 certified	KPI	worldwide	6/7 (ratio)
Number of customer contacts handled by Customer Services	Result	France	182,000 (number)
Quality of the call service for Customer Services	KPI	France	96%
<b>CUSTOMER HEALTH AND SAFETY</b>			
Number of chemical families laboratory-tested	Result	worldwide	11 (number)
Number of laboratory tests on chemical properties	Result	worldwide	16,557 (number)
Chemical testing compliance rate	KPI	worldwide	98.3%
<b>TEXTILE MATERIALS</b>			
Percentage of eco-friendly cotton out of the total cotton used	KPI	worldwide	26%
<b>ANIMAL WELFARE</b>			
Percentage of suppliers who have signed our ethical charter	KPI	worldwide	93%
Percentage of animal material out of the total materials	Result	worldwide	1.7%
<b>ATTRACTING AND RETAINING TALENT</b>			
Total workforce	Result	worldwide	4,407 (number)
Percentage of permanent contracts among total workforce	KPI	worldwide	90%
Average seniority	KPI	worldwide	5.0 years
Number of trained employees	Result	worldwide	1,810 (number)
Number of school partnerships	Result	France	12 (number)
Percentage of managers that received training in management	KPI	France	63%
Percentage of staff members that have an annual review with their manager	KPI	France	77%
<b>DIVERSITY AND EQUALITY OF OPPORTUNITY'</b>			
Percentage of women in the workforce	Result	worldwide	86%
Percentage of women in executive positions	KPI	France	63%
Disabled person employment rate	KPI	worldwide	3.0%
Disabled person employment rate	KPI	France	3.7%
<b>BUSINESS ETHICS</b>			
Percentage of employees with increased awareness of business ethics	KPI	worldwide	63%
<b>RESPONSIBLE PURCHASING PRACTICES</b>			
Number of textile and fashion accessory suppliers	Result	worldwide	341 (number)
Percentage of stable suppliers on the 20/80	KPI	worldwide	78%
<b>HUMAN RIGHTS AND WORKING CONDITIONS IN THE SUPPLY CHAIN</b>			
Number of production countries	Result	worldwide	23 (number)
Number of Tiers 1 factories	Result	worldwide	868 (number)
Number of Tiers 1 factories outside of the EU	Result	worldwide	703 (number)
Number of social audits performed in the period	Result	worldwide	302 (number)
Percentage of Tiers 1 factories outside of the EU audited	KPI	worldwide	90%
Percentage of Tiers 1 factories outside of the EU audited with a GOOD result	KPI	Europe - Middle East	35%

CHALLENGES AND INDICATORS	TYPE	SCOPE	UNIT VALUE
<b>PRESERVING WATER AND THE OCEANS</b>			
Percentage of washing plants audited	KPI	Europe-Middle East	83%
<b>ENERGY AND CLIMATE CHANGE</b>			
Energy consumption	Result	worldwide	33,618 MWh
Percentage of electricity from renewable sources	KPI	worldwide	53%
Percentage of logistics sites ISO 14001 certified	KPI	worldwide	6/7 (ratio)
<b>CIRCULAR ECONOMY</b>			
Percentage of stores offering a service to revive worn-out clothing	KPI	France	39%
Percentage of waste recycled at logistics sites	KPI	France	87%

## METHODOLOGY AND REPORTING SCOPE

The CSR indicators are described in a detailed reporting protocol drawn up by the Group CSR department along with the departments involved in non-financial reporting. This protocol, available to collection managers, defines the indicators, the spatio-temporal scope, the indicator data collection methods and calculation methods.

The “Beaumanoir Group” is not a legal entity. This term covers CCV Beaumanoir Holding, the holding company for the group and all companies controlled by the Group.

The indicators published in the NFPR correspond to all of the companies and sites run by the “Beaumanoir Group”, unless otherwise stated in the body of the text.

The indicators published in the NFPR cover the period from 1 March to 28 February or the Spring/Summer and Autumn/Winter seasons, with the exception of the following indicators which are based on the calendar year:

- Employee training
- Employees that have an annual review with their manager
- Employment of disabled people
- School partnerships
- Energy consumption
- Waste separation



A woman with long dark hair is sitting on a stone ledge in a garden. She is wearing a yellow dress with a white pattern and a white lace back. She is looking over her shoulder at the camera. She has a large, round, silver earring and a brown bag. The garden is filled with various plants, including a large green plant in a terracotta pot and a green chair in the background. The text "G R O U P E BEAUMANOIR" is overlaid on the right side of the image, with a decorative flourish below it.

G R O U P E  
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