

KIABI



Extra-financial performance declaration

2023

A photograph of two women embracing in a field at sunset. The woman in the foreground is wearing a light-colored quilted jacket and light blue jeans. The woman behind her is wearing a dark top and light-colored pants. The background is a soft-focus field of tall grasses under a bright, low sun, creating a warm, golden glow.

Working together,

In a turbulent global environment which is challenging our organisations, being a family business is a strength for KIABI. It is vital for us to be present, in the future and for the long term. It is this foundation in the long term that gives us the capacity to engage in medium- and long-term strategies, while maintaining a balance with the short term.

For the past two years, we have undergone a phase of assimilation and training in environmental and social issues. Once the issues were addressed and accepted, it was time to embrace them in 2023: we have therefore adapted our Vision 2035 to include these issues in a more disruptive way in our objectives and trajectories. Integrating environmental and social concerns is not an afterthought; it is now part of the way we do business and make decisions. There is no turning back as the momentum is already in place.

This new Vision, which takes a fresh look at KIABI's performance, involves transforming our entire value chain. What will future models look like? We do not have all the answers. We will have to rethink the way we approach our business, and further strengthen our relationship with families by including them in these changes. This will require us to remain very open, to accept doubts, to question ourselves and to encourage lateral approaches in the operational excellence of our activities. The challenge is also to continue to build on our historic model to give ourselves the means to transform ourselves while looking to the future. I believe that by bringing these two approaches together, we can continue to grow. Furthermore, we are not the only ones looking at these issues. There will be increasing numbers of us doing so, involving our partners and our customers, etc. It is by working together that these transformations will be achieved.



Elisabeth Cunin, Chair of **KIABI**

To navigate through the many crises and tensions that the world experienced in 2023, we have always been guided by our goal to be a brand that is useful to families, and to remain so over the long term. This is the intention behind our Vision 2035, which I am proud to have been able to share with our employees in November 2023. It invites us to take a fresh look at our objectives and at what our company's performance could be.

This has given rise to KIABI's triple capital concept, which incorporates planetary boundaries and strong values of inclusion while ensuring economic performance. It has taken us time to learn how to measure, identify targets and understand these new challenges. The risk today would be to stay put. It is essential to keep moving forward if we are to meet our responsibilities as a fashion industry player towards the environment and society, and ensure the long-term future of our business. The path we are taking is not the easiest, as our customers are not yet expecting us to address these issues. It will require taking some brave decisions, and we will shoulder this responsibility: the strength of KIABI, the support of our shareholders and our ability to commit resources to invest in these areas are strong foundations. Our Vision 2035 is also an opportunity to examine our utility, to create activities that do not exist today, to evolve our value proposition, to develop our services and to enrich our customers' experience.

We are under way. It is above all the family spirit and strong commitment that we all share within KIABI that will enable us to bring about these transformations.

Patrick Stassi, CEO **KIABI**



towards 2035.



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Challenges and strategy

KIABI in 2023

Environment

2.1 M TeqCO₂

i.e. a **6% reduction in in equivalent CO₂ emissions** in absolute terms (compared with 2022)

6%

of textile products
purchased at **ecodesign tier 1+2**
(the highest tier being tier 5)

0.5%

of **second-hand products** in all items sold
by KIABI

98,975 m³

of **water** used on our own sites

Social

55%

of factories **audited and assessed**
at the highest level of performance in terms of
compliance with international and regulatory
social standards at our tier 1 and 2 suppliers

46%

of **KIABI employees** trained in skills

74%

development
of employees think that KIABI is
a **great company to work for**

(Trust Index® Great Place to Work®)

273

people joined as part of **professional
integration** since 2020

Governance

64%

of **employee shareholders**

36%

female **senior executives**

0.3%

volume of **sustainable business**

84%

Cyber security **compliance rate**

70

Customer Net Promoter Score

Economic

2.2 Bn

in **turnover** (euros)

+1%

compared with 2022

22.3 M

customers

293 M

items sold

An enhanced Vision 2035

With the drafting of Vision 2035 and a new brand promise in line with environmental and societal issues, 2023 has been a pivotal year for KIABI. This in-depth exercise has enabled us to identify the changes that need to be addressed and to commit all our teams to making progress from 2024 onwards towards realising this ambitious Vision.

The ability to question our models

More than ever, we had to face up to a multiplicity of crises in 2023, including the hottest year ever recorded by the Copernicus Climate Observatory. 2023 also saw an unstable and tense geopolitical situation and rapidly rising inflation leading to major social repercussions. Over the next two years, the World Economic Forum⁷ has identified **disinformation, extreme weather events and the polarisation of societies as the three main global risks.**

This global context, where environmental and social issues are rapidly gaining ground, led us in 2022 to train our management committee in environmental and societal issues using the CAP 1.5 programme, a replication of the Convention des Entreprises pour le Climat adapted to Association Familiale Mulliez (AFM) companies by Acts&Facts. In addition, the data from our 2022 carbon, water and soil assessments gave us a clearer picture of our impact and helped us to raise our awareness in a more targeted manner.

All these considerations have led us to an undeniable conclusion: if we continue with an identical production and marketing model, our environmental impact will continue to grow and we will fail to meet the challenges and limits facing the planet. This is why, in 2023, our management committee decided

to write an enhanced Vision up to 2035 in order to develop our business model and our offering, taking into account the limits of the planet and the social foundation. As a result of this work, we have adapted our brand promise: *"Make life easier for families by making everyday sustainable living accessible to*

all." This Vision was shared with KIABI employees in 2023 to drive forward the transformations taking place throughout the company.

*Global Risk Report 2024

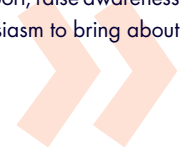


Fabrice Obenans,
Brand and Customer Leader.
KIABI

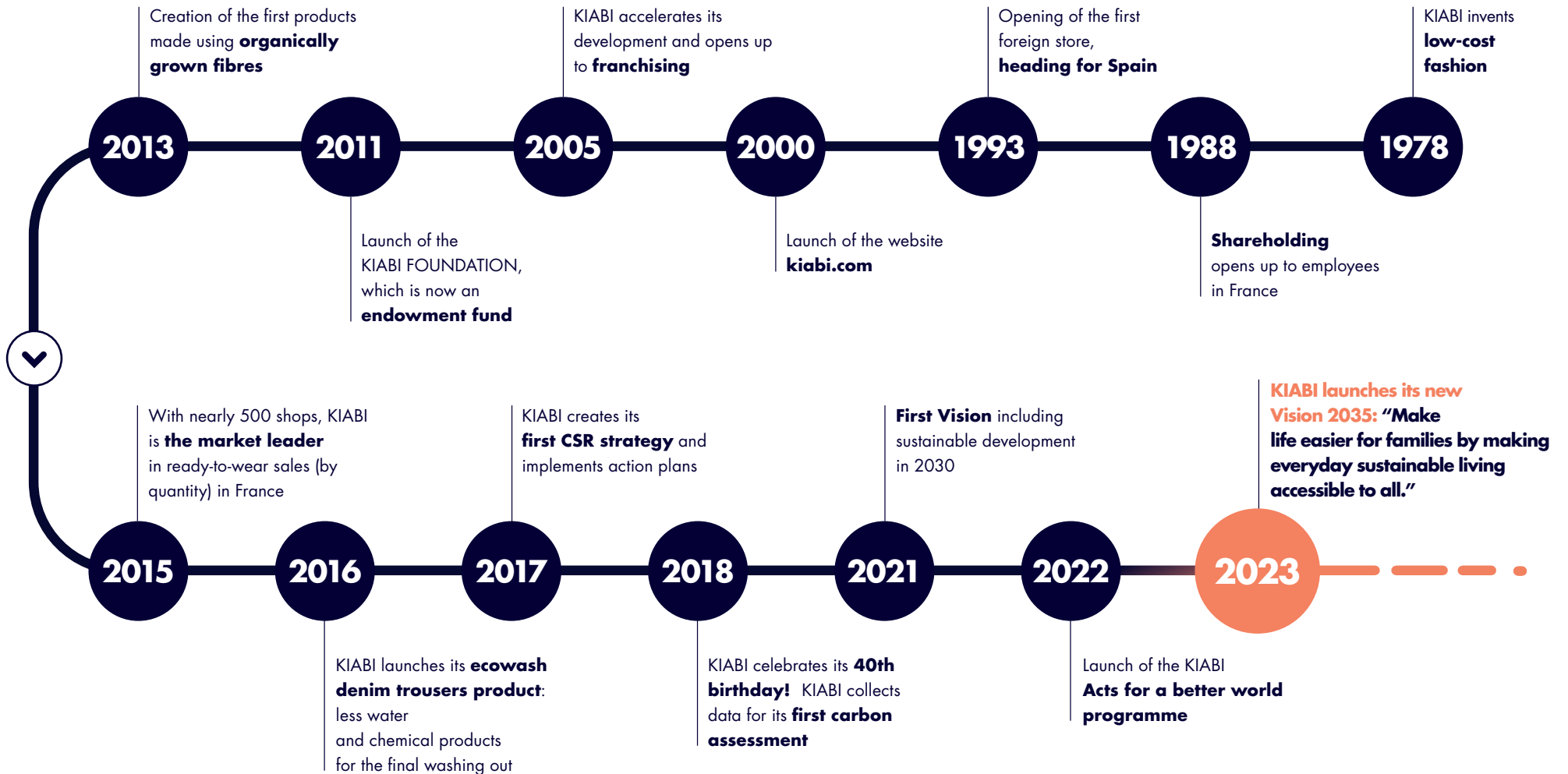
"Working alongside families with the changes we are experiencing."

"Traditionally, KIABI has had a single mission and a single priority: to strive to be ever more committed to families, enabling them to equip themselves with the best product and for the best value for money. This has been long-established and will remain so. With our responsibility as a major player in fashion in Europe, the idea is to take this relationship a step further by supporting families in all aspects of their lifestyle and the changes they are undergoing

with new solutions and new services. Through our new brand promise, **'Make life easier for families by making everyday sustainable living accessible to all'**, we want to share our awareness so that we can support, raise awareness and work together with enthusiasm to bring about these changes.



40 years of affordable fashion





Acts for a better world

We want to rally families, employees, partners, customers and the entire KIABI ecosystem around this positive, unifying message so that everyone can play a part in bringing about change. Through our information platform 'Acts for a better world', we are aiming to highlight tomorrow's challenges in terms of fashion and consumption, as well as make available our progress on environmental and societal issues, and the evidence associated with these actions.

Business model

The strengths of Kiabi

- Leader in FRANCE in baby & children
- Control of our value chain
- Designer and creator
- Accessibility and inclusivity
- Physical shops, direct contact with our customers

Challenges and opportunities

- Environmental emergency
- Buying power & inflation
- New societal expectations and changes in consumption
- Opportunities in terms of value for money/style
- Circular industrial and business model

Stakeholders

- Customers / suppliers / partners / affiliates and franchisees / service providers / associations / NGOs / media / employee or family shareholders

→ Resources

Men and women who are committed

- 9,049 Kiabers, 81% of whom are women
- 80% of Kiabers are permanent contracts
- 4% of Kiabers have a disability

Teams dedicated to developing our products

- 246 Kiabers in the collections and 289 in our purchasing offices in China, Bangladesh, India and Turkey

An ecosystem supporting our mission

- 195 vendor suppliers for 590 assembly plants
- 1,209 social audits and 168 environmental audits carried out
- 3 vendor warehouses and one non-vendor warehouse in Europe
- 601 contact points (including 245 as partnerships)
- 89 franchise partners and affiliates
- 316 second hand contact points
- 1 market place in France

Links with our communities

- 22.3 million customers
- 24 Petits Magasins in partnership with 14 professional integration associations

A financial structure

- A stable family shareholding
- A proactive investment policy

A property unit to transform places of business and residential areas

- A team comprising 30 people
- 100 sites owned by Etixia

“Make life easier for families by making everyday sustainable living accessible to all.”



→ Value created

For men and women

- 74% of Kiabers satisfied (GPTW trust index)
- 46% of Kiabers trained in skills development.
- 36% of leadership positions are held by women
- 27% of results shared with employees
- 64% of Kiabers are shareholders

To reduce our environmental impact

- 2.1 million tonnes of CO₂ equivalent, i.e. a 6% reduction compared with 2022
- 98,975 m³ of water used at our own sites
- 6% ecodesign tier 1+2
- 1.5 million second-hand items sold
- 0.5% second-hand items in our products sold

For our partners

- 55% of factories audited and rated at the highest level of performance in terms of compliance with international and regulatory social standards
- 71% of factories audited and rated at the highest level of performance in terms of compliance with international and regulatory environmental standards
- 74% of turnover generated in our own shops (excluding franchises and affiliations)

For families and our customers

- A customer NPS of 70
- 185,752 families benefiting from solidarity shops
- 273 people joined as part of professional integration since 2020

To ensure our financial strength and the security of our organisations

- Share value up 42% in 5 years, with an average of increase of 8% per year
- 1% growth in turnover excluding taxes, i.e. €2.2 billion
- €43 million in rental revenues
- €3 million invested in renovating existing sites
- IT security rate of 84%

KIABI worldwide

9,049
employees

620
points of contact

195 commercial suppliers
89 franchises & affiliations

34 countries
22 countries of production
30 sales regions



Materiality assessment

A double materiality assessment enables us to identify our impacts, risks and opportunities in environmental, social and financial terms. To prepare for future regulations concerning extra financial reporting, KIABI carried out its first double materiality assessment in 2023

Identify our responsibilities

A double materiality assessment takes into account the **impact of our activities on the environment and society**, and conversely the risks and opportunities that these issues represent for the economic and financial situation of KIABI. Carried out with the help of an external partner, this task is based on a rigorous three-stage methodology:

- **Identifying** potential environmental and social issues based on Vision 2035 from our risk analysis carried out in 2020 as part of our vigilance plan, the single materiality assessment carried out in 2020 and a benchmark of sustainability issues based on a panel of ten companies.
- **Consultation** with around fifty internal and external stakeholders identifying 25 potentially strategic and material risks and opportunities for Kiabi.

→ **Conducting** a final workshop with the management committee, which selected the 16 highest material issues and 9 lowest material issues from the 25 identified, thereby concluding our closing double materiality assessment.

→ **Approval** by the Board of Directors.

2023 marked a year of transition for our extra-financial performance declaration. In anticipation of future reporting requirements, we have decided, starting with this 2023 reporting process, to go beyond a single materiality assessment that establishes the impact of the company's activities on the environment, governance and social issues and to instead conduct a double materiality assessment. We have therefore carried out a double materiality assessment that sets out the impact of the risks and opportunities related to the environment, governance and social issues for the company in financial terms, and conversely what our business activities represent in terms of risks and opportunities for the environment, governance and

Working towards CSRD compliance

The Corporate Sustainability Reporting Directive (CSRD) is a **European directive aimed at standardising corporate sustainability reporting** and introducing greater transparency. The CSRD is based on the double materiality assessment, which recognises companies' responsibility towards society and the environment in addition to

their financial profitability. Although KIABI will not be eligible for this directive until the 2025 financial year, we decided to carry it out from 2023 in order to fine-tune the identification of the key environmental and social issues that had previously informed our Vision 2035 while simultaneously preparing for the new requirements of the CSRD.



social issues. This double materiality assessment has confirmed that the initial extra-financial risks we were monitoring are part of this new assessment and are therefore covered in our reporting. However, it has

also brought to light new challenges for which we have not yet established a policy or performance indicators. This work will be carried out in 2024.

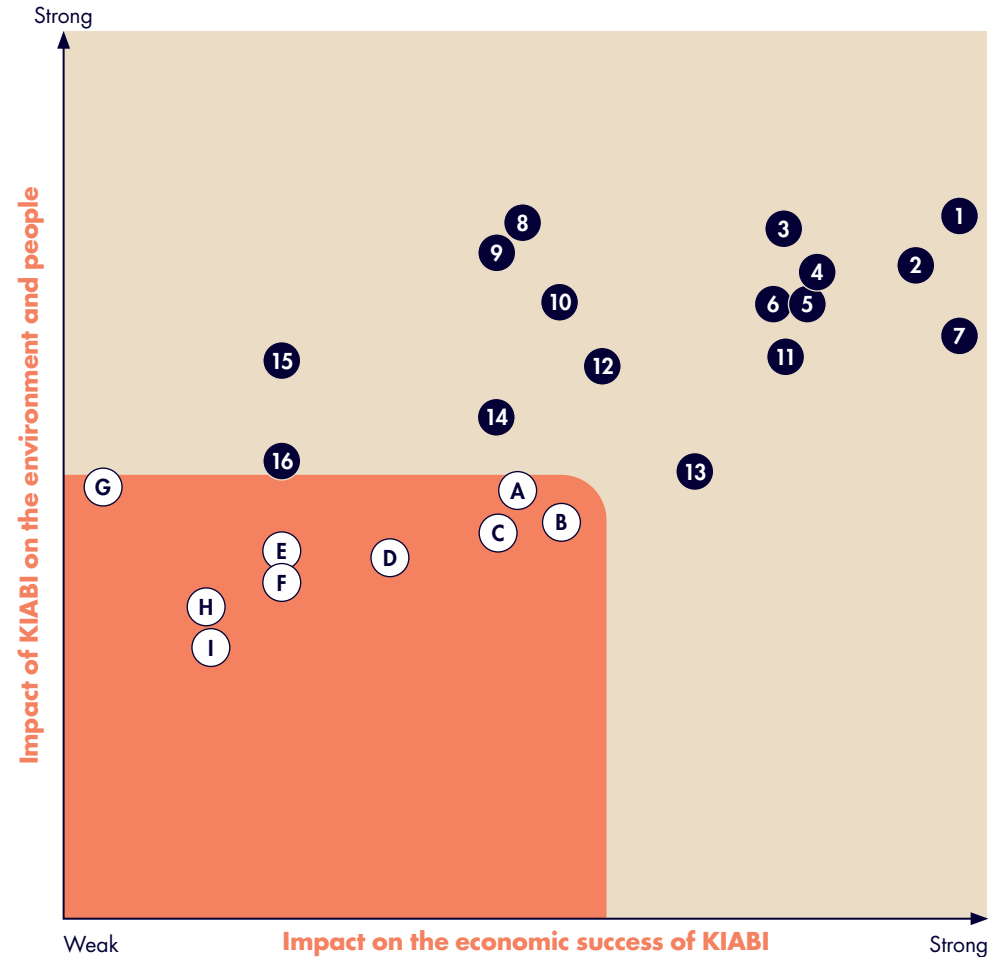
Double materiality MATRIX - KIABI Group

Our 16 selected material issues

- | | |
|--------------------------------|--|
| 1 Range of accessible products | 9 Water pollution |
| 2 Reduce, reuse and recycle | 10 Biodiversity loss |
| 3 Climate change | 11 IT security |
| 4 Access to raw materials | 12 Product durability |
| 5 Traceability | 13 Management of skills and attractiveness |
| 6 Working conditions | 14 Land pollution |
| 7 Model transformation | 15 Land use |
| 8 Water consumption | 16 Equality & inclusion |

Our 9 potential material issues not selected

- | | |
|---|------------------------------------|
| A Waste management | E Quality of life in the workplace |
| B Fair distribution of the value created | F Employee health and safety |
| C Ethical behaviour and compliance with regulations | G Proper transparency |
| D Integrating our activities into our regions | H Responsible marketing |
| | I Quality & compliance |



→ Environment

% reduction in our CO₂ emissions

Calculation of greenhouse gas emissions, in absolute terms, in relation to 2022, based on the GHG protocol.

Issue 3

Reducing land use

Measuring the surface area, in hectares, of land required for our activities (in relation to 2022), the impact of land degradation and the loss of biodiversity.

Issues 10 15

Reducing water consumption

Measuring water consumption across our value chain compared to 2022.

Issue 8

Proportion of second-hand products in all items sold by KIABI

Speeding up the roll-out of our second-hand offer to kick-start the decarbonisation of our business model.

Issue 2 3 7

Proportion of products purchased at ecodesign tiers 1+2+3

Taking action where our impact is greatest, i.e. in the design of new products.

Issues 3 4 5 12

Water and land pollution

as well as their degradation and the loss of biodiversity (indicator currently being defined).

Issues 9 10 14

Our indicators

In order to consider the material issues identified in our double materiality assessment, we have identified **16 environmental, social and governance indicators for KIABI**.

→ Social

Proportion of factories audited on social criteria

Ensuring that working conditions at our tier 1 and tier 2 suppliers of ITFAS textiles, accessories and footwear meet our requirements.

Issue 6

Proportion of KIABI employees trained in skills development

Enabling our employees to develop their skills in a fast-changing world.

Issue 13

Trust Index® Great Place to Work®

Measuring and facilitating our employees' well-being at work.

Issues 6 13 16

Number of people joining as part of professional integration (since 2020)

BEING a player in employment and inclusion for all.

Issue 16

→ Governance

Proportion of employee shareholders

Ensuring that the value created together is shared.

Issue 16

Proportion of female senior executives

Achieving equality in positions of responsibility.

Issue 16

Customer Net Promoter Score (NPS)

Satisfying our customers' expectations.

Issue 1

Volume of sustainable business

Second-hand offer, rental, repair and ecodesign at tiers 1+2+3.

Issue 7

Level of IT security

Creating conditions for the security of our information systems, protecting our data and that of our customers. Indicator defined by the rating agency BITSIGHT.

Issue 11



Act for the environment

- 1 Challenges and indicators
- 2 Act correctly by identifying our impacts
- 3 Reorienting our material choices
- 4 Working together and innovating with our suppliers
- 5 Creating a more circular consumption and distribution model

1. Challenges and indicators

Over the past 20 years, the global production of textile fibres almost doubled: from 58 million tonnes in 2000, it rose to 116 million tonnes in 2022 and is expected to reach 147 million tonnes in 2030*, resulting in impacts on climate change, water resources and biodiversity. These are the worldwide and overall challenges that we must respond to by transforming our activities and business model.

Our challenges

- 1 Carry out in-depth work on **raw materials**, how they are grown and their traceability.
- 2 In collaboration with our suppliers, deploy industrial processes that integrate **renewable energies** or a reduction in the use of water.
- 3 Develop with our employees and families more circular **distribution** and **consumption** patterns.

Performance 2023



2.1 M T_{eq}CO₂
i.e. a **6% reduction**
in equivalent CO₂ emissions in
absolute terms (compared with 2022)



98,975 m³
of water used at our own sites



0.5% of second-hand
products in all items sold
by KIABI



6% of textile products
purchased at ecodesign tier 1+2**
(the highest tier being tier 5)

Key events

- **314 KIABI shops** in France, Spain, Belgium, Portugal and Italy offer **second-hand items**.
- **The launch of the ODISHA PILOT PROJECT** in India with our partner Reforest'Action and Organic Cotton Accelerator for the trial of a regenerative agriculture model in KIABI's value chain.
- Our increased use of **recycled raw materials**, rose from 5% of our finished product tonnages in 2022 to 10%.
- **The certification of KIABI by Ecocert Greenlife 271316** to the Organic Content Standard (OCS), Global Organic Textile Standard (GOTS), Recycled Claim Standard (RCS) and Global Recycled Standard (GRS).
- **KIABI's new ecodesign approach** across five tiers, encompassing the entire product life cycle.

*Materials Market Report, Textile Exchange, December 2023
**See page 22 for our definition of the different ecodesign tiers.



Camille Caron,
Sustainable Development Leader
KIABI

“Changing the way fashion is produced and consumed.”

“Our position as a key player in fashion for families gives us the responsibility and the ability to drive change in the system. One of our main challenges is **to produce differently** by developing our ecodesign approach and using recycled materials and designing products that last longer. We also need to be a partner in **supporting families** in their consumption of fashion items by developing a needs-based approach, for example. On all these subjects, our strategy is always to make an assessment to understand where we need to act, and then to pursue a course and objectives based on science.

Our carbon footprint and biodiversity footprint, focusing on water and land, have made us aware that we need to take action on materials and manufacturing processes within our factories in order to support a more circular offer. This process of environmental assessment was consistent with and in line with the questions we were asking about the sustainability of our business model, which has led us to the creation of Vision 2035.



2. Act correctly by identifying our impacts

The environmental impact of the fashion industry and the activities involved in our business are wide-ranging. This is reflected in greenhouse gas emissions (which contribute to climate change), pollution (from fields of fibre crops and factories, or through the release of plastic micro-particles), and pressure on biodiversity. By carrying out an annual carbon assessment, we can be made aware of the most significant sources of greenhouse gas emissions and of our responsibilities in relation to climate change. These assessments enable us to define the key strategies to be addressed, and to set medium-term objectives and trajectories.

Understanding our carbon footprint

In 2023, we changed the way we calculate our carbon footprint based on three types of data:

→ A change in the calculation methodology for **travel** in response to a customer survey and a study of our internal data in order to gain a better

understanding of their journeys.

→ Development of the methodology for calculating **the impact of our products** on a number of emission factors.

→ The conditions for using the **Product Environmental Footprint (PEF) method** particularly with regard to assumptions around washing, drying and ironing (compared with our care instructions one year previously).

→ The method for assigning average weight to

products has been refined to weighing purchases by size.

These last two developments will enable us to be more in line with the calculations for environmental labelling. As a consequence, we have recalculated our 2022 footprint to take account of the differences resulting from this new methodology, giving a result of 2.2 million tonnes of CO₂ equivalent emitted in 2022. Our 2023 footprint shows a decrease of 6% compared to 2022, resulting in a total of 2.1 million tonnes of CO₂ equivalent.

This change is due to:

→ A **decrease in the volume** of products bought and sold by KIABI in 2023. The quantities purchased in 2022 have in fact covered part of the requirements for 2023. This factor accounts for around 4% of the reduction in our CO₂ emissions in

the 2023 footprint.

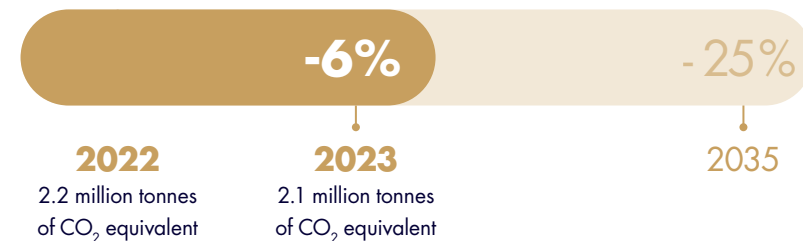
→ The impact of our actions **regarding the choice of raw materials**, (which represent a 2% reduction in our emissions) together with an increase in the use of recycled materials (cotton and polyester).

In **terms of carbon intensity** per kg of products purchased, we obtain 29.7 kg CO₂ eq (compared with 30.3 kg CO₂ eq in 2022¹), i.e. a decrease of 2.5%.

¹Based on 2022 results recalculated using 2023 methodologies

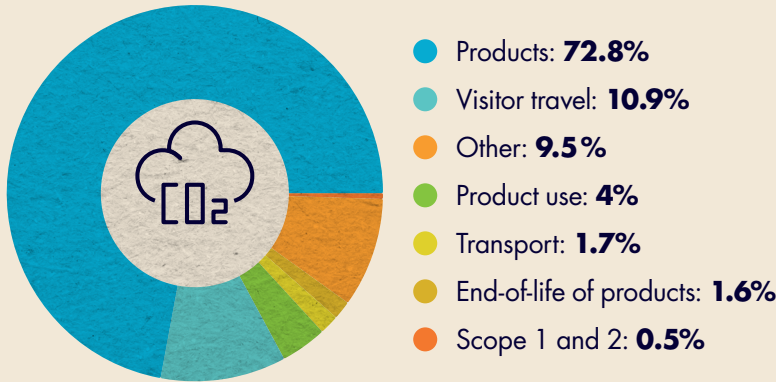
Performance 2023

Reduction in scope 1/2/3 carbon emissions in absolute terms compared with 2022:



Breakdown of our CO₂ emissions

→ 2.1 million tonnes of CO₂ equivalent



Identifying our impact on water and land use

Our impact is not limited to our greenhouse gas emissions. The various activities necessary for the fashion industry also have a significant impact on water resources and land use. We know that growing cotton requires a lot of water. Yet the

countries in which it is grown are now facing a high risk of water shortages. We also know that most of the world's cotton-growing regions will experience a decline in crop productivity as a result of climate change.

To address these issues, **we carried out a water and land use assessment in 2022**. At the time, our water consumption was 190 million cubic metres, and our land use was 91,000 hectares. We have also outlined reduction trajectories for 2035: 40% reduction in water consumption and 5% reduction

in land use (compared with 2022). In 2023, we worked on a water assessment for just our own sites. Our aim is to respond to the urgency of these issues by integrating, from 2024, a tool that will enable us to carry out water and land assessments, similar

to our carbon assessment, with a methodology that includes the impact of our suppliers. This will enable us to take action to preserve these resources.

Environmental impacts in the textile industry

	Climate change	Land use	Quantity of water	Water quality
Production of fibres	+++	+++	+++	+++
Spinning	+++	+	++	++
Weaving	+++	+	++	++
Washing out and dyeing	+++	+	+++	+++
Assembly	++	+	+	+

Our key drivers for action

Since 72.8% of CO₂ emissions and 90% of water consumption by KIABI in 2023 come from the manufacture of new products, we need to take action at source, right from the design stage.

This requires us to rethink our approach, from the choice of raw materials right through to the end-of-life of our products.

As a result, we have mobilised around **three interrelated priorities**:

- Take action on our choice of **raw materials**.
- **Reduce the environmental impacts** of our suppliers' factories.
- **Extend the lifespan of products** through business models geared towards **use** and **second-hand products**.

To meet these key challenges, we have developed a more rigorous and detailed ecodesign approach, and are working on the traceability of our environmental data.

Develop our ecodesign approach

In 2023, we further developed our approach to ecodesign through:

- Drawing up a **new five-level ecodesign approach** covering the entire product life cycle

(see next page).

→ Setting up an **ecodesign committee**. The committee meets every two months to ensure that all internal players are on the same page when it comes to issues and priorities.

→ Setting **new targets for accessories and footwear**, in addition to those already set for textiles.

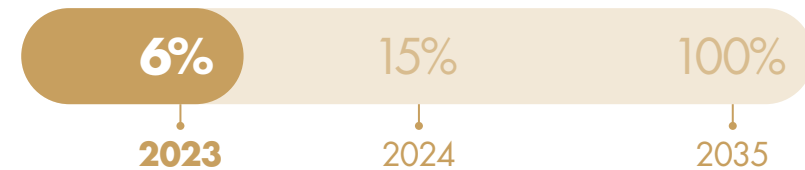
→ Setting up an **on-site Textiles Untangled workshop** which has enabled over 200 employees to be trained in the challenges of ecodesign and to integrate this approach into their work.

→ **Seven 'Design for the future' workshops** which brought together suppliers, buyers and designers to speed up the process of sustainability, reducing environmental impact and optimising costs on seven iconic KIABI product types: padded jackets, chinos, denim, leggings, baby bodysuits, T-shirts and fleeces.



Performance 2023

Proportion of our textile items purchased for our Summer/Winter 2023 collections achieving ecodesign tier 1+2*:



The challenges to be met

- Develop tools to **calculate the reduction of impacts**.
- Develop **ecodesign training** for our employees.

*See page 22 for our definition of the different ecodesign tiers.



Céline Monot,
eco-developer.
KIABI

“A new approach to ecodesign.”

“In 2023, we wanted to take our ecodesign approach even further. Up until now, we have primarily focused on raw materials such as organically grown cotton and recycled cotton. We have worked collectively with merchandisers, buyers, suppliers and intermediaries in our various countries to draw up a **new five-tier ecodesign framework**.

It is a multi-stage design approach that covers the entire product life cycle. This approach is also multi-criteria, with ecodesign actions to reduce our impact in terms of CO₂ emissions, water consumption and/or land use. We have defined five tiers, corresponding to actions that can be taken

independently of each other, covering the issues of raw materials (tier 1), industrial processes (tier 2), the environmental impact of our tier 1 suppliers (tier 3), our tier 2 and 3 suppliers (tier 4) and the use and end-of-life of products (tier 5).

This framework will be applied by our design teams from 2024 to develop the Summer 2025 collections.



KIABI's 5 ecodesign tiers

1



RAW MATERIALS



Use of a **minimum amount of materials** with reduced environmental impact (See p.24 for the list of materials).

2



INDUSTRIAL PROCESSES



Use of industrial processes that consume **less energy and less water** or have **less impact** on the environment (see p.28 for the list of industrial processes).

3



MANAGE SUPPLIERS



Inform **the factories of garment manufacturing suppliers** about the issues of climate change, water consumption, waste management, land use, biodiversity and certification. Suppliers must have at least an A or B rating on their social audit.

4



MANAGE SUPPLIERS



Inform **tier 2 and 3 suppliers** about the issues of climate change, water consumption, waste management, land use, biodiversity and certification. Suppliers must have at least an A or B rating on their social audit.

5



USE AND END-OF-LIFE OF PRODUCTS



Actions to improve the **physical durability** of a product or its **recyclability**.

Ensuring the traceability of our environmental data

Knowing where our fibres and materials have come from

Having access to high-quality environmental data is essential to the implementation of our strategies: it enables us to **calculate** our impact accurately, to **make** informed design choices and to **provide** families with information on the environmental impact of our products.

One of the major challenges in terms of traceability is collecting data from KIABI's various suppliers at every stage of the manufacturing process, from the cotton field to the garment manufacturing factory. The challenge is collecting this information across a variety of purchasing processes, a complex supply chain and a range of different suppliers across different tiers.

To address this concern, in 2023 we carried out an audit phase on **ten traceability tools**. The challenge for 2024 is to test one of these tools to improve the traceability of textile products, footwear and, at a later stage, packaging.

In addition, in 2023, we rolled out training courses to familiarise our teams of merchandisers and assistant product managers with the GOTS and Textile Exchange material certification standards. Alongside this, we shared our certification objectives with our suppliers, as well as their responsibility to provide our tools with the correct information and documents.

Cotton represents 59% of the tonnage of raw materials used by KIABI for finished products. Its traceability is therefore the focus of our attention: we aim to ensure its origin and properties. In 2023, we renewed our partnership with **Oritain** so that we could determine the geographical origin of the cotton we use. Oritain has developed a scientific method based on the biological analysis of cotton fibre to determine where it was produced. In addition, in 2023 KIABI was the first European company to sign the **US Trust Cotton Protocol**, a standard that ensures the traceability of US cotton throughout the supply chain.



Our traceability certifications

In addition to the work carried out with our suppliers, we are developing the certification of raw materials used in the manufacture of our products by means of international standards that include the question of traceability. In 2023, a proportion of the materials used by KIABI were certified by **Ecocert Greenlife 271316** based on the following standards:



Organic Content Standard (OCS)



Textile biologique
Global Organic
Textile Standard (GOTS)



Recycled Claim Standard (RCS)



Global Recycled
Standard (GRS)

The regulatory context

2023 marked the entry into force of Decree 2022-748 of the **anti-waste and circular economy law (AGEC)** in France, which aims to better inform consumers about the environmental attributes of products. In the textile sector, these

regulations require distributors **to display the geographical traceability of each product at the three main stages of manufacture:** weaving, dyeing and assembly/finishing. For KIABI, this context was seen as an opportunity to accelerate traceability issues and represented an important step in the collection and formalisation of data from our suppliers up to tier 2.

Key events

- Signing of the US Trust Cotton Protocol to ensure the traceability of cotton produced in the United States.
- Renewal of the partnership with Oritain to determine the geographical origin of cotton fibres.

The challenges to be met

- Improve the **reliability of our product environmental data** (origin, materials, suppliers).
- Educate **suppliers** and **our teams** about the issues of traceability.



3. Reorienting our material choices

The raw materials used in our products and packaging, such as cotton and oil, account for 21% of greenhouse gas emissions* from KIABI. We are therefore paying particular attention to our choice of raw materials and the way in which they are produced.

A breakdown of the fibres used by KIABI***

- Natural fibres: **65.5%**
- Synthetic fibres: **28.9%**
- Cellulosic fibres: **5.6%**



***By weight of finished products

*This 21% relates to emissions from the fibre harvesting and processing stage. This relates to 31% of the items produced by KIABI.

**The impact factors per kilo of single material finished product used in our modelling come from the EF LCA database and are 31 kg CO₂ equivalent per kilo of finished product, 20 m² of land use per kilo of finished product and 5 m³ of water per kilo of finished product. Organic cotton saves 59% in water consumption compared to conventional cotton, according to the Textile Exchange - Thinkstep - Life Cycle Assessment of Cotton Cultivation Systems study.

The impact of cotton

Cotton alone accounts for 59% of KIABI's raw material tonnage (based on the weight of finished products). As it consumes water and pesticides** during cultivation, as well as chemicals during processing and dyeing, **we are gradually phasing out conventional cotton** in favour of fibres such as organically grown cotton or recycled cotton.

Developing a global supply of less impactful fibres

In 2023, we renewed our partnership with **Organic Cotton Accelerator (OCA)** to develop our sourcing of less environmentally damaging materials. This organisation supports KIABI's procurement of organically grown cotton: in 2023, this represented 7,000 tonnes of cotton (compared with 2,000 the previous year), or around 17% of our organic cotton requirements for the Summer 2025 and Winter 2025 collections. The OCA organisation also includes farms in transition to organic farming. This partnership enables us to support the development of organic farming and its fibre supply throughout the world.

Restoring the living world

Since 2020, KIABI has been working alongside Reforest'Action on the challenges of restoring the living world. Reforest'Action supports economic players in strategies to restore terrestrial ecosystems on a large scale in order to combat climate change and the loss of biodiversity.

In 2023, KIABI and Reforest'Action launched the **Odisha** project in India, the world's leading cotton producer. This is a pilot project to develop a regenerative agriculture model in KIABI's value chain. A total of **11,000 trees were planted on 25 hectares by 80 cotton growers** with the aim of:

- Generating additional income for producers through the sale of fruit products.
 - Producing biofertilisers or biopesticides using planted species.
 - Preserving the natural capital of land and water.
- Following this initial pilot, we have decided to extend the trial with Reforest'Action and Organic Cotton Accelerator (OCA). From 2024, we will be working with over 22,000 farmers on 250 hectares to determine what impact these new practices will have, based on experience in the field.



Our fibres with reduced environmental impact*

- Conventional fibres: **46%** (45% in 2022)
- Cotton Better Cotton Initiative (BCI): **31.3%** (41.7% in 2022)
- Recycled polyester: **7.8%** (3.8% in 2022)
- Organically grown cotton: **7.6%** (6.7% in 2022)
- Cotton from farms converting to organic farming: **2.4%** (0.8% in 2022)
- Recycled cotton: **2.4%** (1.3% in 2022)
- TENCEL™ Modal, TENCEL™ Lyocell and LENZING™ ECOVERO™: **2.1%** (0.3% in 2022)
- Other less harmful fibres (flax, hemp, recycled acrylic, recycled polyamide, etc.): **0.7%** (0.4% in 2022)

*% calculated on the weight of finished products.

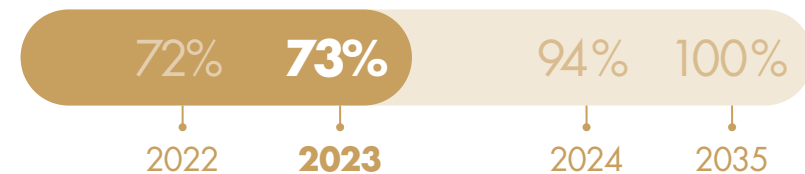
Changes in the use of materials

In response to rising raw material costs, and in order to keep our prices affordable, we have increased our use of polyester from 20% in 2022 to 24% in 2023. We are also working to **reduce the environmental impact** of these synthetic fibres: 32% of the polyester used in 2023 was recycled (compared with 19% in 2022). Our goal is to reach 100% by 2035.

All production of raw materials has an impact on the environment: the use of water for cotton, for example, the use of fossil resources or the risk of generating microplastics for polyester, etc. Unfortunately, no solution is perfect: our choices are therefore the subject of much reflection. In the spirit of continuous improvement, we constantly question the balance between the desirability of our collections and reducing our impact in order to find the best solutions.

Performance 2023

Proportion of our textile items purchased for our Summer/Winter 2023 collections achieving ecodesign tier 1 **:



**See p. 22 for our different ecodesign tiers.

3

Reorienting our material choices

Working towards zero virgin plastic for our packaging

Product packaging accounts for 0.15% of our emissions. We are also taking action to reduce its impact in terms of waste and pollution. Our goal is to **use no virgin plastic by 2025**. To achieve this objective, we have changed our choice of plastic **by giving priority to recycled plastic, paper and cardboard**.

In 2023, the entire range of children's underwear was switched from plastic to kraft packaging, so that it would be available in shops for the 2024 collections. The next step is offering **kraft packaging** for the women's collections in 2024. In addition, to reduce the quantity of materials used, we are testing ways of optimising certain packaging templates to avoid wasting materials during the production phase.



Key events



100% of children's underwear packaging was made of kraft paper in 2023
(for collections going on sale in 2024).

* Excluding products requiring special protection such as tights and lingerie.



4. Working together and innovating with our suppliers

Spinning, weaving, dyeing, processing, garment making... The various manufacturing processes for our products account for 51.5% of KIABI's greenhouse gas emissions. Working with our suppliers around the world, it is therefore imperative that we support each other in taking a fresh approach to some of these techniques by conserving water resources and developing the use of renewable energies.

Taking action at all stages of production

Our suppliers are our key partners. Having worked with most of them for an average of seven years, we have built a solid foundation for moving forward together in addressing environmental issues. They have their own solutions, which they regularly share with us. The environmental impact of the production phase requires action to be taken at various stages to

address issues ranging from energy supply to water resources and waste management.

This is why we are working with our suppliers to develop industrial processes that meet different objectives:

- **Reduce water, energy and chemical consumption** in the factories where we manufacture our products.
- **Improve the durability** of our products with technologies that extend their lifespan.
- **Reduce waste**, for example with optimised patterns designed to generate less raw material waste during the cutting phase.

Introducing less harmful manufacturing processes

Ecowash: this technique of washing and pre-washing, used on 95% of denim made by KIABI, enables us to save an average of 20% in water and 10% in energy compared to conventional washing.

The Ecowash accreditation is subject to four criteria: an environmental audit has been carried out in the factory concerned, the chemicals used during washing or pre-washing have been reduced (REACH and AFIRM standards), technologies* have been used to reduce water consumption (defined by our team in charge of manufacturing processes) and finally a score has been calculated using Environmental Impact Measurement (EIM) software. The goal is to extend this process to all washed and pre-washed products made by KIABI.

Ecodye: this dyeing method reduces water consumption by at least 30%, electricity consumption by 10% and/or steam consumption by 10%. As a result,

the CO₂ emissions from this process have been reduced by 10%. The dye used must be certified OEKO-TEX standard 100®.

Undyed products: no bleach or dyes are used in the process.

Tough Cotton™ technology: thanks to a finish applied to the fabric, this technology extends the life of our cotton products by increasing their resistance to abrasion and wear, reducing the need for our customers to renew them too often.

Low waste: optimised design for maximum fabric usage and minimum wastage during cutting. Conventional design generates between 17% and 30% of material wastage, whereas low waste reduces this to 10% or less.

We are looking into other manufacturing processes, such as the use of water-based adhesives.

* Rainforest, E-Flow, G2 Ozone, Tonello Up System, Ramson RVM 520, H2Zero technologies or laser.

Performance 2023

Proportion of our textile items purchased for our Summer/Winter 2023 collections achieving ecodesign tier 2*:



Engage further on the issue of harmful chemicals with OEKO-TEX®

The health of families who use our products is a priority for KIABI. This is why we always comply with international legislation governing the use of chemical substances in the manufacture of our products, such as the European REACH regulation. We are also working with the entire textile/clothing industry through AFIRM (Apparel and Footwear International RSL Management) to update the Restricted Substances List (RSL).

The aim is to go even further on these issues of health and environmental impact. We have therefore

decided to step up the certification of some of our products using the OEKO-TEX® STANDARD 100 label. This label has requirements that go beyond current regulations regarding harmful chemicals, and means that all parts of a textile product can be checked for the presence of hazardous substances by an independent third party.

In 2023, 33% of our baby products had the OEKO-TEX® label and 97% of our baby underwear. *"One of the challenges in the coming years is to encourage our suppliers to address these issues. It's a demanding undertaking, requiring strong leadership and objectives,"* explains **Boubakar Bellahcene**, Quality Assurance Leader at KIABI.

*See our ecodesign framework on page 22.



Key events

- 0 product recalls due to harmful chemicals.
- 97% of baby underwear with the OEKO-TEX® standard 100 label.

A new tool for promoting environmental performance

We carry out environmental compliance audits at the factories of our tier 1, 2 and 3 suppliers. We focus these audits on sites that have the greatest impact* on the environment, i.e. those with wet industrial processes. In 2023, 64% of these factories were audited: 71% were rated A or B (for tiers 1 and 2). In addition, in 2023, our teams developed and tested a new tool for addressing environmental issues during the production phase. The aim? To go further than compliance audits and collect data on the impact of our suppliers according to five criteria: greenhouse gas emissions, water, land use, waste management and certification. This internal tool, known as the **'Green Manufacturing Assessment'**, aims to establish a rating for each supplier and to help them make progress on all the issues concerned. It was developed in-house, based on the UNCC (United Nations Climate Change) standard calculator.

"We collected data from May to November 2023, with 95% of our tier 1 suppliers taking part. The aim is to help them understand and integrate environmental issues linked to planetary boundaries," explains **Connie Wong**, Head of Social and Environmental Compliance at KIABI in China. *"The initial results confirm our determination to speed up our efforts in these areas."*



*Wet processes are the processing stages during which the textile substrate is treated with dyes and/or chemicals, collectively referred to as 'inputs' in GOTS terminology. This includes bonding, desizing, pre-treatment, dyeing, printing (including digital printing), finishing, laundering, etc. The manufacture of non-woven fabrics, using hydro-entanglement, is also a wet processing operation.

The Green Manufacturing Assessment tool

An approach to managing our suppliers that incorporates five criteria, in line with KIABI's objectives on CO₂ emissions, water consumption and land use:



climate change

Greenhouse gas emissions, energy consumption.



water consumption

Consumption of rainwater, proportion of water recycled in the factory or for domestic use.



land use and biodiversity

Impact on sea, lake or river water, proportion of trees planted.



waste management

Volume of waste, proportion of waste recycled and CO₂ emissions linked to the treatment of this waste.



certification

ISO 14001, Leadership in Energy and Environmental Design.

Key events

- 95% of our tier 1 suppliers assessed using the Green Manufacturing Process tool.

↳ *The challenges to be met*

- Encourage and support our suppliers in the implementation of industrial processes that have less impact on the environment.





Caroline Joire,
Country Leader, Procurement Office.
KIABI INDIA

“Trialling new solutions with our suppliers.”

“Our Indian suppliers account for 15% of KIABI's sourcing worldwide. Our role is purchasing, by identifying suppliers who can provide us with the right products at the right time. We also ensure, through audits, that our suppliers comply with our environmental and social standards. Our aim is also to work on joint projects and innovate alongside them. With our Indian suppliers, for example, we have tested industrial processes that are less harmful

to the environment by working on issues such as product end-of-life. For example, we are testing a **‘cradle to cradle’ range and a ‘zero virgin fibre’ programme based on waste plastic bottles and cotton** for summer 2025.



5. Creating a more circular distribution and consumption model

As well as taking action on the design of our clothes, we need to look at the overall approach taken to distributing and marketing our products. Our thinking includes families. We want to involve them in our approach by helping them to adopt new consumer habits.

Decarbonising our transport

Our products travel many kilometres from our suppliers' factories, via our shops and warehouses, to where families live. IN terms of our carbon footprint, this impact is 1.7%. For a number of years now, we have been pursuing a policy that addresses every stage of this journey. Firstly, we have drastically **reduced the use of air transport**, which by 2023 will account for just 0.9% of the modes of transport we use.

In addition, we have significantly increased **multimodal transport** by barge or train, from the ports where our product containers arrive to our

warehouses in Lauwin-Planque (Hauts de France) or Madrid in Spain. Upstream multimodal transport (between the port and the warehouses) represented 30% of our transport in 2023, and downstream multimodal transport (between our French and Spanish warehouses) 50%.

We have also favoured the use of **biofuels** for lorry transport in France. However, this is not the end of the road: one of the challenges in the transport sector remains last mile delivery. This is why, in 2023, we tested the use of **cargo bikes** in the Paris region to distribute 100% of our home-delivered online orders.

Key events



0.9% of our products transported by air (out of upstream transport).



50% multimodal transport (barge or train) between our warehouses in Lauwin-Planque (Hauts de France) and Barcelona.



25% of our lorries use biofuels to deliver our products to our shops in France.



Obtaining the FRET 21 accreditation, KIABI is the first company to be certified and accredited in France.

KIABI is committed to FRET 21

FRET 21 is a programme of commitment initiated by ADEME, AUTF (Association of Freight Transport Users) and the French Ministry of Ecological Transition. Its aim is to encourage companies acting as transport contractors to better integrate and reduce the impact of their transport. Each participating company signs an agreement with ADEME in which it specifies a target for reducing CO₂ emissions and undertakes to implement measures to achieve it. In 2023, KIABI took this approach a step further by being awarded the FRET 21 accreditation, which certifies the high level of energy and environmental performance of the most environmentally-friendly shippers.

Boosting the second-hand offer

KIABI's new Vision 2035 has increased our focus on the development of our business model in the face of environmental challenges, in particular by incorporating a more circular approach. How will this be achieved? Through the development of our **second-hand** offer for example, or the range of **services offered to families** (such as renting). Initiatives in this area have been under way for several years, but 2023 marked an upsurge with the extensive roll-out of second-hand clothing: **314 shops in five countries** (France, Spain, Portugal, Belgium and Italy) now offer this service to families, with **with multi-brand clothing**.

In addition, in 2023 we trialled **KidKanai** in Leers (Hauts de France), a concept store entirely dedicated to second-hand children's and baby items. This acceleration is enabling us to learn and identify the issues we need to address, such as access to product sources and integrating them seamlessly into our customers' experience. On this subject, our second-hand teams worked with the concept teams at KIABI to better integrate this new offer in all our shops as well as online. This is the case this year, as second hand is now automatically integrated into all our shops' concept plans in addition to first hand. It also has an online presence with a dedicated website.

In 2024, we created a business unit entirely dedicated to second-hand products so that we could really push ahead in this area.

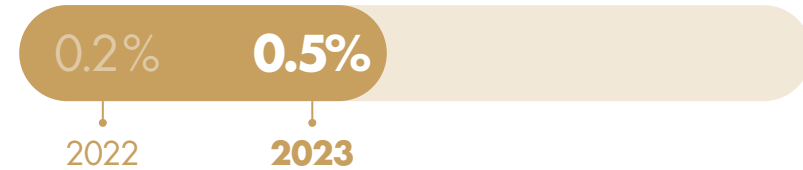


Key events

→ **314 KIABI shops** in France, Spain, Belgium, Portugal and Italy offering at least second-hand women's products

Performance 2023

Proportion of second-hand products out of all the items sold by KIABI:



→ The challenges to be met

- Speed up the collection and logistics associated with second-hand products.
- Train our teams and raise our customers' awareness of second-hand products.
- Expand the collection of used textile products for our second-hand offer.
- Capitalise on our experience with Kidkanai, a concept store for second-hand items for children and babies.

Rent clothes via a subscription to KIABI

In 2023, **300 customers** from KIABI shops in **Noyelles-Godault, Begles** and **Le Pontet** were given the opportunity to trial subscription-based clothing hire on all the products in their local shops (excluding licensed products). This experience has enabled us to gain a better understanding

of our customers' expectations, and to learn about the logistics and IT systems that need to be put in place to support this option. The challenge in 2024? Making this offer available online so that learning can continue on a larger scale.

Families, partners in our durability trials

Offering a rental service inevitably means having to consider the physical durability of the products we design, which are expected to have several lives with several different families. *"Until now, we've tested the lifespan of our products in laboratories, but to develop our rental service we needed to be sure of their durability in real life! Baby bodysuits that look used due to carrot stains, or traces of deodorant that won't go away, etc. These are the sort of things we wanted to ascertain,"* explains **Estelle Urbain**, New Business and New Services Leader at KIABI. In November 2023, we offered **700 products to 250 of our customers,**

who agreed to share their photos and opinions with us for six months. The aim is to be able to use their feedback when designing our products and in our rental projects.



Supporting families in new uses

Our role is not just to offer products that impact less on the environment, but also to support families as they adopt new consumer habits. Since 2023, in compliance with France's anti-waste and circular economy law (AGEC), we have made the environmental characteristics and information on the country of origin of our fashion items available on our website. In keeping with the spirit of the law, the aim of this information is to inform families about environmental issues at the time of purchase.

We also facilitate the integration of circularity into their habits thanks to several **collection and purchase/resale options:**

→ **La Kollekt:** launched in April 2023 and supported by a new online option, La Kollekt facilitates the resale of clothes at a price set by families. This is combined by being given purchase vouchers of a matching value. The straightforward nature of this system appealed to many families,

with 33,000 bags sent out in the first three weeks of the scheme.

→ **La Kollekt Kids:** based in schools, where we work with parents' associations looking for funding.

→ **The collection of general items** in shops and car parks: this applies to clothing, household linen and shoes. These products are then recycled by partners, mainly from the social and solidarity economy.

→ Our dedicated website, **Seconde main by KIABI** is a platform that already enables thousands of users to buy and resell second-hand clothes between private individuals in France. A trial has also been carried out to test the Spanish market.

The challenges to be met

- The roll-out of our rental offer.
- Trial clothing repair services.
- Educate our customers about these new services.

Key events



477 tonnes of textiles and footwear were collected in 2023 via all our systems, i.e. 0.9% of tonnage KIABI released on the market in 2021 (compared with 388 tonnes collected in 2022).

Integrating environmental issues into the construction and operation of our shops

Integrating environmental issues and circularity into KIABI's value chain also involves rethinking the way our shops are built and laid out, and adapting their function while reducing their environmental impact. Building and operating our sites requires raw materials, energy and good waste management. *"If we take into consideration planetary boundaries, there are two key issues for the property sector,"*

explains **Eric Grimonpon**, CEO of ETIXIA, the real estate division of KIABI. *"Our impact involves the climate and biodiversity, as well as land artificialisation. Our environmental policy therefore focuses on these two issues."*

Since 2022, teams at ETIXIA have been integrating environmental concerns into their strategy, leading to the establishment of **two decarbonisation targets in 2023**: one on the carbon intensity of operations (energy consumption linked to building use), the other on the carbon intensity of the building (linked to the construction phase). With regard to biodiversity, ETIXIA has introduced CBS into its projects, a coefficient that integrates the proportion of areas favourable to biodiversity. This work on indicators has made it possible to establish trajectories while aligning the carbon footprint of ETIXIA with the same calculation methodologies as those used by KIABI. In addition, we are taking action in our shop operations to reduce energy consumption (see box).

KIABI Petite-Forêt: a joint project to bring the Vision KIABI to life

Completed in 2023, renovation of the Petite-Forêt shop in Hauts-de-France was an opportunity to put KIABI's new concept to the test. *"The idea is to see how our Vision can be incorporated physically into our points of sale and into the entire customer experience,"* explains **Miguel Esnault**, Head of Concept and Merchandising at KIABI. *"We have transformed the usual in-store flow to free up customer circulation around a service and community hub."*

With not only repair and customisation services, the trial also addressed issues such as the reuse of furniture and the use of monomaterials or recycled materials for mannequins and signage, etc. The trial was conducted in parallel with the work being carried out by teams from ETIXIA on the renovation of the building. *"We introduced natural light with overhead lighting and modified the main entrance at the front of the shop. We also installed an adaptive lighting system inside the shop, which varies according to the amount*

of traffic and outside light," explains **Ludovic Belko**, Director of Construction, Restructuring and Renovation at ETIXIA. The building's cladding and roof have also been modified to provide better insulation. These initiatives have resulted in energy savings of **35% in shop operations and 15% in buildings**. Above all, this work was an opportunity to pool the skills of the concept and property teams to develop a comprehensive approach to the environmental issues facing the shop. The next steps are to listen to customer feedback regarding this new concept, adjust the business model for this type of project, support the changing nature of jobs affected in shops and in support services, and optimise the furnishings aspect so that this approach can be rolled out in other countries from 2024.

We have also introduced trials to **give a second life to our furniture and non-commercial products**. These trials have enabled us to transfer certain equipment from one shop to another and

to recycle furniture for our Petits Magasins (see page 47). The challenge now is to industrialise this approach, in particular by addressing the logistical issues identified during the trials.

Energy conservation at KIABI

The issue of controlling and reducing energy consumption is not new to KIABI. In our shops in France, we have been moving towards **second-generation LEDs** for our lighting for several years now, and replacing our **air conditioning units** at the end of their useful lives. *“It is important to have an overall vision and to work with the landlord on these issues,”* explains **Isabelle Virenque**, Director of Technical Works at KIABI. *“If you change the heating system without taking into account the way the building is constructed, it makes no sense.”* As a result of these actions, KIABI is already in a position to meet part of the 2030 objectives laid down in the tertiary sector decree. Stemming from the Elan law, it requires tertiary buildings to progressively reduce their energy consumption. In 2023, 199 of the 226 French shops had already achieved the target of consuming 40% less energy by 2030 (compared with 2014). The choice of a centralised tool for setting air-conditioning and heating parameters for all French shops has also enabled KIABI to respond very quickly to the requirements of the branch agreement signed as part of the national plan to reduce energy consumption

during the winter of 2022-2023. *“We have succeeded in significantly reducing our consumption of light and heat,”* points out Isabelle Virenque. *“The challenge now is to fine-tune our analysis of other types of consumption so that we can control them more precisely.”*



Objectives

- **70% reduction in the carbon intensity of buildings** Etixia between 2022 and 2040.
- **60% reduction in the carbon intensity of the built environment** Etixia between 2022 and 2050.

Key events

- **158 of our 229 shops in France** have reduced their energy consumption by an average of 15.8% between 2022 and 2023.

5

Creating a more circular consumption and distribution model

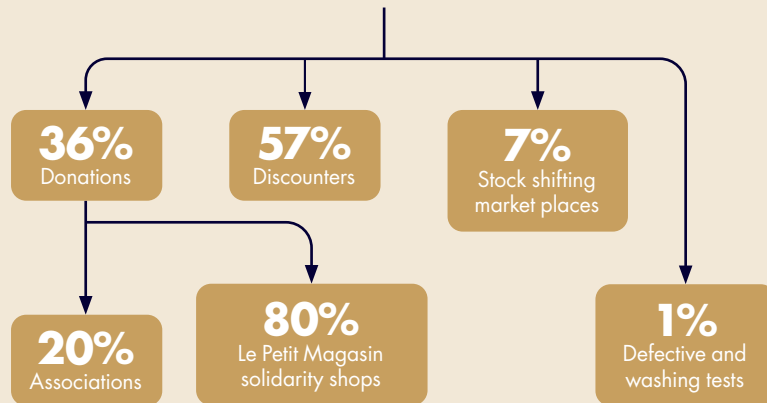
Finding a use for unsold and faulty clothing

Managing unsold or defective products is primarily a matter that we deal with upstream of our shops by calculating our sales forecasts and product allocations by distribution channel (in-store or online) as accurately as possible. However, some new products may remain unsold by the end of the season (1.9% of our total quantities for our Winter 2022 and Summer 2023 collections). It is our

responsibility to find a use for these clothes. We distribute them through several channels:

- **Donations** to local charities in France.
- **Discounters** to whom we sell our stocks of unsold goods from warehouses and shops in countries other than France. They then resell them in areas where our shops do not have a presence.
- **Marketplaces**, which provide us with online sales channels (like Showroom Privé, for example). By 2026, **100% of our unsold goods** will go to our Petits Magasins.

Our unsold clothes in 2023. What happened to them?



5

Creating a more circular consumption and distribution model

Working together on end-of-life of textiles

Some products are too old or damaged to be given a second life in our shops or with our partners. This is why it is imperative to identify and develop new recycling solutions to deal with these products at the end of their life. This challenge is not just unique to KIABI. It concerns the entire textile industry. We have therefore chosen to take a collective approach to these issues. In 2023, KIABI was re-elected as a board director of **Re_fashion**, the eco-organisation for textiles, clothing, household linen and footwear "As one of the leading players

in the textile market in terms of volume, we have a responsibility to share our experiences, customer feedback and challenges in these areas," explains **Caroline Bottin**, Pattern making and Ecodesign Leader, and KIABI representative on the Board of Directors of Re_fashion. "We should be a key player and a driving force in the global debate on the use of recycled materials." 2023 was an opportunity to work on the issues of collection, but also on **eco-modulation**, an approach implemented by Re_fashion which enables the contributions of different stakeholders to vary according to criteria linked to sustainability, accreditation and the incorporation of recycled raw materials in their products.

The eco-organisation Re_fashion

Re_fashion, the eco-organisation for textiles, clothing, household linen and shoes, works on behalf of over 5,000 companies to **prevent waste and ensure the management of end-of-life products placed on the French consumer market.**

Working at the heart of the textile, clothing, household linen and footwear industry's ecosystem, Re_fashion provides tools, services and information that facilitate and accelerate the transformation towards a circular economy. KIABI has been a member of Re_fashion for over 10 years and a board director for 3 years. We participate in multi-company working groups such as the nomenclature, eco-modulation and communication committees.





Social commitment for all

- 1 Challenges and indicators
- 2 Encourage the potential of everyone
- 3 Promote equal opportunities and inclusion
- 4 Improve working conditions
- 5 Our human responsibility to our suppliers

1. Challenges and indicators

The KIABI family spirit is shared throughout our ecosystem. This of course includes our employees, but also our suppliers, customers and families, etc.

Although 2023 has been marked by geopolitical crises, and although our activities are changing in response to environmental challenges, our responsibility is also, against this background, to engage with our communities so that working conditions can continue to be improved, to develop the employability of everyone and to promote equal opportunities.

Our key priorities for men and women

- 1 **Working conditions:** including health and safety as well as well-being for our own employees and also employees working for our suppliers.
- 2 **Managing and developing skills:** to support our new Vision and the employability of our employees for now and in the future.
- 3 **Equal opportunities and inclusion:** for our employees, our customers and for society as a whole.

Performance 2023



55%

of factories audited and rated at the highest level of performance in terms of compliance with international and regulatory social standards amongst our tier 1 and 2 suppliers*.



46%

of KIABI employees trained in skills development.



74%

of employees think that KIABI is a great company to work for. (Trust Index® Great Place to Work®).



273

People joining as part of **professional integration** since 2020.

Key events

- **The creation of the Skills Observatory:** to anticipate changes in skills and professions and to support our Vision 2035.
- **Work on the diversity charter,** designed to drive progress on issues of diversity and inclusion.
- 97,676 hours of **training for our employees** in 2023, including 72,427 hours of skills development training.
- **7 new Le Petit Magasin** opened in 2023, bringing the total number of solidarity shops to 24.
- **New compliance requirement** on the results of audits of our suppliers' factories (a score of A or B grade required, compared with A, B or C previously).
- **A further increase in the remuneration** of our employees to keep pace with inflation (a 2% increase by the end of 2022 and 2% increase by the end of 2023)

*Tier 1 and Tier 2 suppliers of ITFAS textiles, accessories and footwear



Franck de Saintignon,
Human Resources Leader.
KIABI

“We are above all a family with a shared sense of direction.”

“KIABI is above all a family with a shared sense of direction whose human capital has been built around the idea of *‘doing a job I love, with people I love and for customers I love’*. This shared direction has enabled us to develop a strong leadership and management based on autonomy, responsibility, courage and creativity...

KIABI is also a people-oriented brand that forges links with all our partners, suppliers and customers. In 2023, 63% of our employees were shareholders*. This allows everyone to be involved in understanding the company's project and demonstrate considerable resilience that sustains KIABI. In 2023, we embarked on a major change with our new Vision 2035. The

challenge now is to support all our employees in this transformation in order to develop the in-house skills needed for our future business model and guarantee a high level of employability. We also need to support our suppliers with these changes by developing stronger relationships and partnerships.”

The KIABI shareholding scheme is available to employees in France, Spain and Italy.



2. Encourage the potential of everyone

In a world of constant change, in which KIABI is carrying out far-reaching changes to its activities, developing the skills and employability of our teams is a priority.

Developing skills

We have a responsibility to enable everyone to play an active role in their own training and employability through appropriate development pathways. In 2023, KIABI employees benefited from 72,427 hours of skills development training.

The aim of this training is to:

- Support **the development of business skills** using country and business training plans.
- **Nurture the interpersonal skills of each employee**, i.e. all the attitudes specific to the culture within KIABI and its values, such as compassion, high standards, customer service and entrepreneurial spirit. Training courses are offered in the areas of communication and self-awareness.
- **Support the leaders in carrying out**

their role as regards the areas of performance, management, leadership, vision and strategy. The 'Exploring my leadership' training programme is compulsory for all new managers: over 40 employees took this module in 2023.

Coaching by KIABI

In 2018, KIABI also launched the Koachs School to support the personal development of its employees. In-house coaches, whose training is recognised by the International Coaching Federation (ICF), supported 80 employees in France and Italy for over 600 hours in 2023.



A new skills observatory

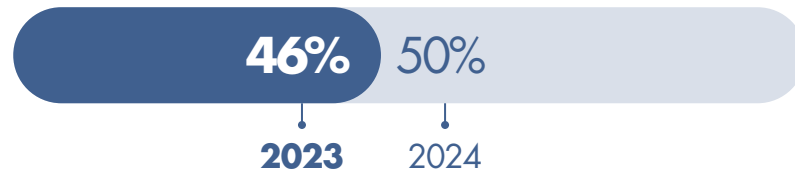
In addition to these training courses, we created the Skills Observatory to support KIABI's Vision 2035. Led by the Talents, Human Resources and business line managers teams, the aim of this project is to understand and anticipate the company's needs in terms of human skills in

response to current strategies and changes. With this in mind, the Skills Observatory is focusing on three different areas:

- Internally, to understand the **impact of Vision 2035 in terms of jobs and organisation**
- Identifying the skills and disciplines needed to support these changes
- **Forecasting** to highlight future trends in jobs and skills.

Performance 2023

KIABI employees trained in skills development:



Key events

- **600 hours** of in-house coaching.
- **Overhaul of training** for sales advisors.



3. Promote equal opportunities and inclusion

Respect for diversity is a fundamental value at KIABI and is clearly laid out in the key conduct and attitudes expected in our employees.

Most importantly, it is an asset which, through the multiplicity of viewpoints and approaches it brings, enriches the collective value created at KIABI.

It is because we understand the diversity of today's families that we can continue to offer them the best solutions on a daily basis.

A disability agreement that is producing results

KIABI France's disability agreement, which was signed three years ago, has helped the company move forward: in 2023, **disabled** employees represented 5.1% of KIABI's workforce in France, compared with 3.6% the previous year. Today, the

subject is being addressed by disability advisors in logistics, services and in Europe, supported by local contacts in the field. They are implementing the key points outlined in our agreement:

- **To maintain** and **increase** the employment rate of people with disabilities through recruitment, professional integration, training and job retention initiatives for disabled employees.
- **To improve** awareness of, and communication and information about disability for all employees.
- **To develop** and **raise awareness** of the role of disability intermediaries in countries and shops.



Working towards a diversity charter

The issues of diversity and inclusion are integrated into the skills required of our employees, and we promote them through our monthly and annual management rituals.

Given the ever-increasing stakes involved in such a vast subject, we want to go the extra mile. "We wanted to work on a diversity charter in 2023 that would give a clear definition of what we mean by this term at KIABI, would define a clearer common base for all employees and would mean that we could move more quickly and commit to certain issues on which we want to make progress," explains **Bastien Chaldaureille**, Social Development Leader at KIABI. "We wondered whether we should give up on certain aspects, but making choices would mean that we were no longer committed to the idea of diversity."

This charter is the result of a collective effort involving French, Italian, Spanish and Indian employees. It identified two areas for improvement for KIABI on the subjects of older people and intergenerational relations. The charter is due to be finalised in the first half of 2024, so that employees can be more actively involved from the second half of the year.

The key pillars of the KIABI diversity charter are:

- **To inform** and **raise the awareness** of employees about issues of diversity and inclusion.
- **To combat** all forms of discrimination (gender, age, disability, ethnic origin, sexual orientation, religion, etc.)
- **To recruit** and **promote** talent based on skills and qualifications
- To establish **inclusive social dialogue** within KIABI
- **To measure** and **evaluate** the actions implemented.

Promoting gender equality in the workplace

Signed in 2021, the agreement on gender equality in the workplace reaffirms KIABI's commitment to promoting and facilitating diversity through gender equity and parity.

The challenge is to ensure gender equality for all. We have identified **five areas of commitment** to achieve these goals:

- Access to employment
- Information and professional training
- Access to mobility and internal promotion
- Remuneration
- Working conditions, work-life balance and parental responsibilities.

Fashion that's truly for all

The fashion industry has frequently conveyed images and products that are far removed from the diversity of its audiences. Drawing on our role as a partner to families and our core principle of accessibility, we have been developing inclusive collections for several years now. These are designed to support our customers as they are, throughout every stage of their lives. Some of these collections, designed to be easy to put on, have been co-created with young adults with disabilities, parents of children



with disabilities and carers (interviews, round table discussions, etc.).

These inclusive products are regularly updated with new styles and now represent 9.2% of our offer:

→ **Large sizes:** KIABI has been offering styles up to 6XL to suit all body shapes for several years now. The aim is to continue to expand this offering and develop the large size maternity range.

→ **Disabilities:** the easy-to-slip-on So Easy collections (available online) are for disabled children and adults. Everyday life is made easier thanks to the designs and opening features that allow you to dress independently,

→ **Health with post-surgery collections** for women affected by breast cancer (available online). The post-surgery lingerie range is designed with front fastening systems, cups adapted to prostheses, wider straps and soft fabrics for greater comfort.

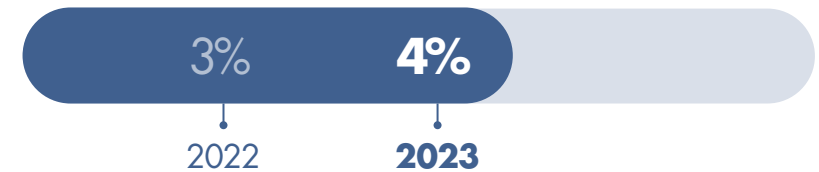
Aim 2023

% female **senior executives** in 2023

(On management committees around the world and in our distribution countries: France, Spain, Italy, Belgium, Portugal, and on the Etxia management committee).



% of employees with **disabilities** across the world*:



*This method of calculation does not comply with the French legal method of calculation. Our percentage is nevertheless higher than the legal percentage of 6% required in France.

THE PROFESSIONAL EQUALITY INDEX 2023

KIABI is required to calculate its gender equality index every year. The index is based on five criteria: pay differentials, differentials in rates of pay rises, differentials in promotion rates, an indicator on return from maternity leave and an indicator on the number of employees of under-represented genders in the ten highest-paid jobs. **In 2023, KIABI scored 94/100**, the same score as in 2022.

The Petits Magasins, vectors for professional integration

Since 2017, KIABI has been supporting the Petits Magasins programme, which is backed by a number of professional integration associations in France. The Petits Magasins are integrated wherever they are needed and meet a number of objectives:

- **Helping** people back into work and boosting their self-esteem.
- **Offering** a range of new clothes for families in difficult circumstances.
- **Creating** links between the various local stakeholders.

KIABI's support includes sponsorship, the donation of products and equipment, and the sharing of skills: each Petit Magasin is supported by a KIABI mentor shop before it opens and throughout the duration of the project.

In addition, KIABI offers **training programmes** to support teams within Petits Magasins with employability and integration into the sales sector: sales, customer relations, safety, etc. are all subjects covered during the course. The aim is for everyone who has followed this development programme to be able to find a pathway to professional integration when they leave.

In 2023, we wanted to further our commitment to social issues by working with Vitamine T, a national organisation that focuses on employment and inclusion. As a result, we are looking to step up our involvement in the Petits Magasins project and become a fully committed participant.

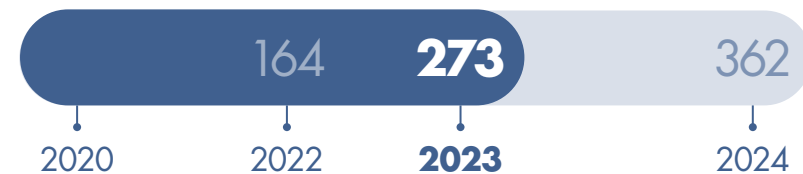


Key events

- 24 Petits Magasins open in France, 7 of which were in 2023.
- 63 people have participated in the training programme offered by KIABI.
- 41 successful outcomes in 2023 (long-term jobs, transitional jobs, positive outcomes, training, etc.).

Performance 2023

People joined as part of professional integration since 2020 thanks to the Petits Magasins:





Pierre Alcalá,
Positive Impact in Business Leader
KIABI

“Boost integration with Vitamine T.”

“When KIABI talks about diversity and inclusion, we have to take into account an open ecosystem, which is not just about our employees. What happens to young people who are discriminated against from the outset? How can we enable everyone to dress with dignity? **The challenge for the Petit Magasins is to open up equal opportunities to all families.** The results after a few years are excellent: the Petits Magasins have enabled us to adopt a learning stance again, to reconsider our operating and managerial methods and to look at recruitment from a different angle, etc. In 2023, we worked with Vitamine T, a national

driver for employment and inclusion, to take our commitment even further. It is not always easy, because it is the kind of project that brings together worlds that do not know each other very well: you have to be prepared to work together and to be challenged. Together with Vitamine T, we support each other through our strengths and weaknesses. We have succeeded in capitalising on the initiatives undertaken over several years. The aim is to continue moving forward together.



The challenges to be met

- Finalise and implement our diversity charter in all our countries of operation.
- Outline the associated indicators.
- Continue the development of our inclusive collections.

THE SKOLA PROGRAMME IN LOGISTICS: THE FINAL STAGE TO EMPLOYMENT

In 2023, the Lauwin-Planque warehouse launched a partnership with **Les apprentis d'Auteuil**, a charitable foundation that promotes the inclusion of young people. The Skola programme helps young people get to know each other and discover their talents alongside industry professionals. This enables them to gain their first qualification by signing a six-month professional training contract. In 2023, we welcomed and supported twelve young people in our warehouse. As a result of this support, three vocational training contracts (including one for a disabled employee) have been converted to permanent contracts, and one of them has been offered a six-month fixed-term contract at the end of the vocational training contract.

10 YEARS WITH PINK OCTOBER

In 2023, KIABI celebrated ten years of its involvement with the League Against Cancer in 2023 with its support of the Pink October campaign. To mark the occasion, we designed a collection of bright pink underwear, for which we donated one euro to the League Against Cancer for every purchase of an item in the range. For ten years now, KIABI and its employees have also been involved in a number of initiatives in different countries together with cancer charities, organising makeovers of chemotherapy rooms, fashion coaching and pink runs in aid of breast cancer.



KIABI COMMUNITY

Co-creation to promote inclusion.

As part of the process of designing these inclusive collections, we **work closely with our customers**. In their role as true ambassadors, they identify the models to work on and give their opinions on style and comfort. We incorporate their ideas into the design of our garments: for example, it was following feedback from our customers on the post-surgery range that we developed a sports bra for this customer base.

As part of this open approach, our KIABI Community platform is a genuine opportunity for dialogue and inclusion of different family communities, including large families, young parents, etc. We give them the opportunity to share their opinions on the design of our models using flash co-design tools, or even to embody the diversity of KIABI as an ambassador.



4. Improve working conditions for our employees

We employ 9,049 employees, so we have responsibilities towards each of them in terms of well-being and safety in the workplace.

Making progress together

KIABI gained the **Great Place to Work®** accreditation again in 2023 and distinguished itself in two categories in the French ranking:

→ **Number four in the Best Workplaces® category**, which recognises organisations that are good places to work (over 2,500 employees category).

→ **Best Workplace for Women™**, which recognises companies for their commitment to equality in the workplace.

This ranking is more than just a league table; it is first and foremost a way of measuring the perception of our employees and the quality of their experience with us at KIABI. The Great Place to Work® methodology is based on every employee receiving

a Trust Index® questionnaire, which they can all answer anonymously. In addition, KIABI provides a file to assess its managerial practices.

After looking at the results each year, and at the level of each team, we put in place action plans to respond to the needs identified in the results concerning well-being at work.

We also track staff turnover at KIABI: it was 19.2% in 2023.

Preventing risks to our employees' health

The health and safety of our employees is our priority. This takes the form of training

designed to reduce the risk of work-related accidents, illness and absenteeism. We offer each employee training tailored to his or her job: emergency evacuation drills, psychosocial risks, limiting musculoskeletal disorders, etc.

In 2023, we have also continued the work carried out since 2022 on retail store ergonomics. We took advantage of the trial of our new concept at the Petite-Forêt shop (Hauts-de-France) to examine how ergonomic issues had integrated into the project.

With the support of Pôle Santé Travail, an occupational health and prevention service, we carried out an assessment to evaluate the impact of the new concept on the business in terms of:

- Receipt, storage and preparation of items
- Shelf stocking, maintenance and replenishment
- Customer relations and advice
- Staffing, planning and task allocation
- New core service activities

Great Place To Work.

THE GREAT PLACE TO WORK® RESULTS 2023

86% "I am proud of our accomplishments"

86% "New employees are warmly welcomed."

79% "I value my company's contribution to society."

Our health and safety indicators 2023

→ Absenteeism: **6.7%** (not including Italy)

→ Rate of occupational illness: **0.4%**

→ Rate of accidents at work: **23.27**

Performance 2023

Proportion of employees who think that KIABI is a great company to work for. (Trust Index® Great Place to Work®)



4

Improve working conditions

Working towards new ways of working

Since the Covid crisis, remote working has revolutionised and altered working habits. It has contributed to well-being at work and can make it easier for employees to balance their personal and professional lives by reducing time spent travelling. This flexibility can also be an attractive advantage when it comes to recruitment - for example, in occupations where there is a shortage.

In order to provide a framework for this, KIABI introduced an agreement on remote working and the right to disconnect in 2023. We have defined three types of remote working:

→ **Regular remote working**, for a maximum of two days per employee.

→ **Occasional remote working**, for employees whose job does not qualify them for regular remote working.

→ **Exceptional remote working**, which may be granted for medical reasons, for example.

This document also addresses the issue of the right to disconnect, set out in our 2022 Quality of Life and Working Conditions agreement.



Supporting our employees in the face of inflation

2023 was a year marked by inflation, which affected both our employees and many consumers.

To enable them to maintain their purchasing power in this difficult environment, we agreed an overall pay rise in several countries.

In France, following an initial increase of 2% in November 2022, a further 2% increase was granted in January 2023, raising **the overall increase to 4% to maintain the purchasing power of our employees.**

*Figures as at 31/12/2023

5. Our human responsibility to our suppliers

We work with suppliers based mainly in Asia and North Africa. These suppliers are spread across different tiers, from the farm (tier 4) that grows the cotton needed to make our clothes, to the garment factory (tier 1), via the weaving plant or the dyeing unit.

Our responsibility is to ensure that our suppliers' employees benefit from working conditions that comply with local regulations, international labour standards and conventions and meet our requirements.

Sharing a common framework

Regulations on working conditions vary across all these countries. This is why we have drawn up a **code of conduct**, which is incorporated into the contracts signed with the suppliers with whom we contract directly, setting out KIABI's social and environmental requirements. This is code of conduct is based on **recognised international**

standards such as the United Nations Charter, the International Labour Code, the Universal Declaration of Human Rights and local legislation. It prohibits, amongst others, **child labour, forced labour and discrimination**, and guarantees **freedom of association**. It also sets out the safety conditions, working hours and environmental requirements demanded by KIABI.



The organisation of our audits

To ensure compliance with this code, **we carry out regular audits of our suppliers' factories.**

There are a number of ways in which they are done:

- A proportion of these audits are carried out by our employees (12% of social audits), particularly in Asia and Turkey.
- We can call on external firms to carry out these audits (6% of social audits).
- We can also obtain audits via international platforms such as the Business Social Compliance Initiative (BSCI), Smeta or the Initiative for Compliance and Sustainability (ICS) (83% of social audits).

In this case, we have created conversion grids of the results of these platforms in order to convert them to our type of rating so as to obtain comparable results for all our suppliers. We have adopted the 'Taking Turns' audit protocol: if the first audit is an audit carried out by the KIABI internal team, the second will be conducted by a third party and the third audit will be carried out by the KIABI team again. This protocol enables inappropriate links and habits between the suppliers and audits to be avoided. **These audits enable us to assess our suppliers on a rating scale from A to E.**

This rating grid was developed based on the BSCI (Amfori), ICS and SMETA (E.T.I) audit methodologies. The higher the score, the more infrequent the audits. However, one audit is carried out per year for each garment factory. The less good the score is, the more frequent the audits are. A rating of E, which



is unacceptable, indicates severe problems and the need for immediate corrective action. The supplier then has six months to improve its rating, failing which we terminate our commercial relationship. In the event of a serious breach, we will immediately halt activity pending corrective action. Whatever the situation, **we encourage our suppliers to take ownership** of these compliance issues in the spirit of continuous improvement.

In accordance with our Zero Tolerance Violations (ZTV) policy, we reserve the right to terminate our relationship with a supplier at any time in the event of serious non-compliance with our code of conduct or a lack of intention to make improvements.

The international audit platforms used by KIABI

BSCI, ICS and SMETA audits are based on international standards in terms of work organisation.

BSCI: based on the International Labour Organization's labour standards, the BSCI (Business Social Compliance Initiative) is a sectoral movement developed in 2003 by Amfori, a global business association for open and sustainable trade. It enables companies to control and evaluate their suppliers' social performance improvements compared to Amfori's BSCI code of conduct requirements.

SMETA: SMETA audits use the ETI Base Code, founded on the conventions of the International Labour Organization, as well as relevant local laws. SMETA audits can be conducted against two or four auditing pillars. The two pillars mandatory for any SMETA audit are Labour Standards and Health & Safety. The two additional pillars of a 4-pillar audit are Business Ethics and Environment. They were introduced to further deepen the social responsibility aspect of SMETA audits.

ICS: ICS (Initiative for Compliance and Sustainability) is an international sectoral initiative with the aim of enhancing working conditions along the global supply chains of its member retailers and brands. ICS is composed of 67 multinational retailers and brands in the sectors of textile, retail, footwear, electronics and furniture. ICS members collaborate with common tools to mutualise audits, contributing to the reduction of 'audit fatigue', and share knowledge and best practices.

	A	B	C	D	E
COMPLIANCE GRID	Exceptional	Good	Satisfactory	Inadequate	Unacceptable
FINAL RATING	>_95% No ZTV No critical points	>_90% No ZTV No critical points	>_85% No ZTV Critical point <=1	>_80% No ZTV Critical point <=2	>_80% and/or ZTV and/or critical point >2

5

Our human responsibility to our suppliers

What action plans should be drawn up in the event of non-compliance with audits?

In the event of con-compliance in one of our audits, **the supplier must share their intentions regarding corrective action plans within two weeks.**

This time period may differ depending on the case:

- In the event of non-compliance relating to fire safety, wages, licences, permits, authorisations and legal certificates, we require an immediate action plan within a maximum of one week.
- In the event of a critical non-conformity, or if an aspect cannot be verified, we also require an immediate action plan within a maximum of one week.
- In the event of major non-compliance (e.g. an insufficient number of fire extinguishers), the deadline for sharing the action plan is four weeks.
- In the event of minor non-compliance (e.g. a lack of monitoring of safety training), the deadline for sharing the action plan is eight weeks.
- If an aspect cannot be audited, we require a corrective action plan.

Once the corrective action plan has been provided, a follow-up audit is carried out within a timeframe determined by the rating obtained by the supplier.



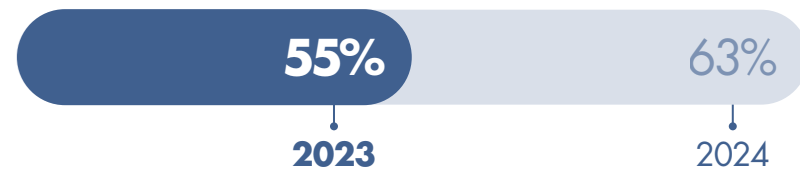
In 2023, **we revised upwards our requirements concerning the rating of our suppliers:** up until now we had set ourselves the target of having A, B or C rated suppliers, our ambition is now for all our suppliers to be rated A or B only. In addition, 100% of the new referenced

Key events

- 1,209 audits carried out, i.e. 91% of our tier 1 and 2 factories audited in 2023.
- 100% of new referenced factories rated A, B or C.
- 100% of existing factories with an E rating since July 2022 have moved on within 6 months: three have improved, one supplier relationship has been terminated.

Performance 2023

% of factories audited and assessed at the highest level of compliance with international and regulatory social standards (A+B), for tier 1 and 2 suppliers.*



Breakdown of factory audits by rating:

	A	B	C	D	E
TIER 1	16%	51%	31%	3%	0%
TIER 2	19%	29%	49%	3%	0%

*Tier 1 and tier 2 suppliers of ITFAS textiles, accessories and footwear



Governance and value creation

- 1 For sustainable performance
- 2 Our ethics and compliance challenges
- 3 Act for and with our customers
- 4 Building links with the regions
- 5 Operate within an open ecosystem

1. For sustainable performance

The environmental and social challenges we face and the implementation of our Vision 2035 are forcing us to question our organisation and the definition of our performance. To meet these new challenges, we need to take a thorough look at our business model, our decision-making processes and our management systems.

Our challenges

- 1 **Develop our governance to drive our Vision 2035**
- 2 **Share the value created with our employees**
- 3 **Ensure diversity and parity**
- 4 **Guarantee customer satisfaction**
- 5 **Ensure the security of our information systems**

Performance 2023



64%
of employee
shareholders



0.3%
of volume of sustainable
business'



36%
female senior executives



84%**
Cyber security
compliance rate



70
Customer Net Promoter
Score

Key events

- A new Vision 2035 incorporating a **triple capital** approach (environmental, social, governance, in addition to economic).
- **Integration of environmental and social performance** into the calculation of the variable annual bonus of KIABI's management committee and the management committees of support departments and countries.
- The launch of a customer committee to deal with our customers' main frustrations.
- A comprehensive assessment of IT security at KIABI.

The volume of sustainable business includes KIABI's offer related to repair, rental, second-hand and ecodesign at tiers 1+2+3.
** Indicator defined by the rating agency Bitsight.



Cendrine Tabary,
Performance Leader.
KIABI

“A profound transformation
in the way we analyse
our performance”

“We have written our Vision 2035, and the brand promise has been expanded. This will lead to a number of changes and will impact our understanding of performance through the integration of environmental, social and governance issues alongside economic performance. This triple capital approach is new for KIABI and will enable us to measure and drive forward all the objectives identified in our double materiality assessment. This is a far-reaching transformation, requiring us to review our management tools and have access to the metrics that will enable us to

identify the environmental and social issues at stake in each project. In 2023, environmental performance indicators have been incorporated into the variable remuneration of senior executives. These are major challenges, but we can rely on our strong corporate culture, the resilience of our business model and our good financial health. Our position as a key player in the fashion industry means that we have a responsibility to take action in the face of these new challenges, and we have a duty to inspire others to make a difference.



1. Governance to drive sustainable performance

Since its creation in 1978, KIABI has been based on values that place people at the heart of its operations. These values are intrinsically woven into the company's system of governance.

A family and employee shareholder base

As shareholders in the company, our employees are important stakeholders. They are at the heart of the system and are responsible for and involved in the performance of which they share in the value. Each of us is committed to the success of KIABI's plan through the new Vision 2035, which was shared in November 2023.

The Board of Directors is the guarantor of the company's long-term strategic vision. They define the company's key strategic objectives, including environmental and social issues, and ensure that they are being implemented. They also ensure the

implementation of corruption and influence peddling prevention measures, as well as a non-discrimination and diversity policy within the company. The Board of Directors' main goals are to increase the company's environmental, social and economic value and to defend its social interest.

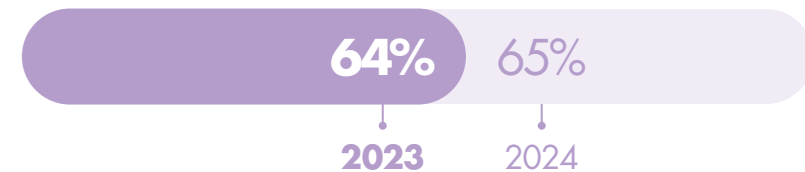


Working towards the creation of an environmental transition committee

KIABI's Board of Directors wants to create an environmental committee made up of experts, in the same way as the personnel committee and the finance committee. The creation of this committee will ensure that environmental issues are addressed at the highest level of the company, and that the advisory role of the Board is fully reflected in the implementation of strategies which are in line with the company's overall vision.

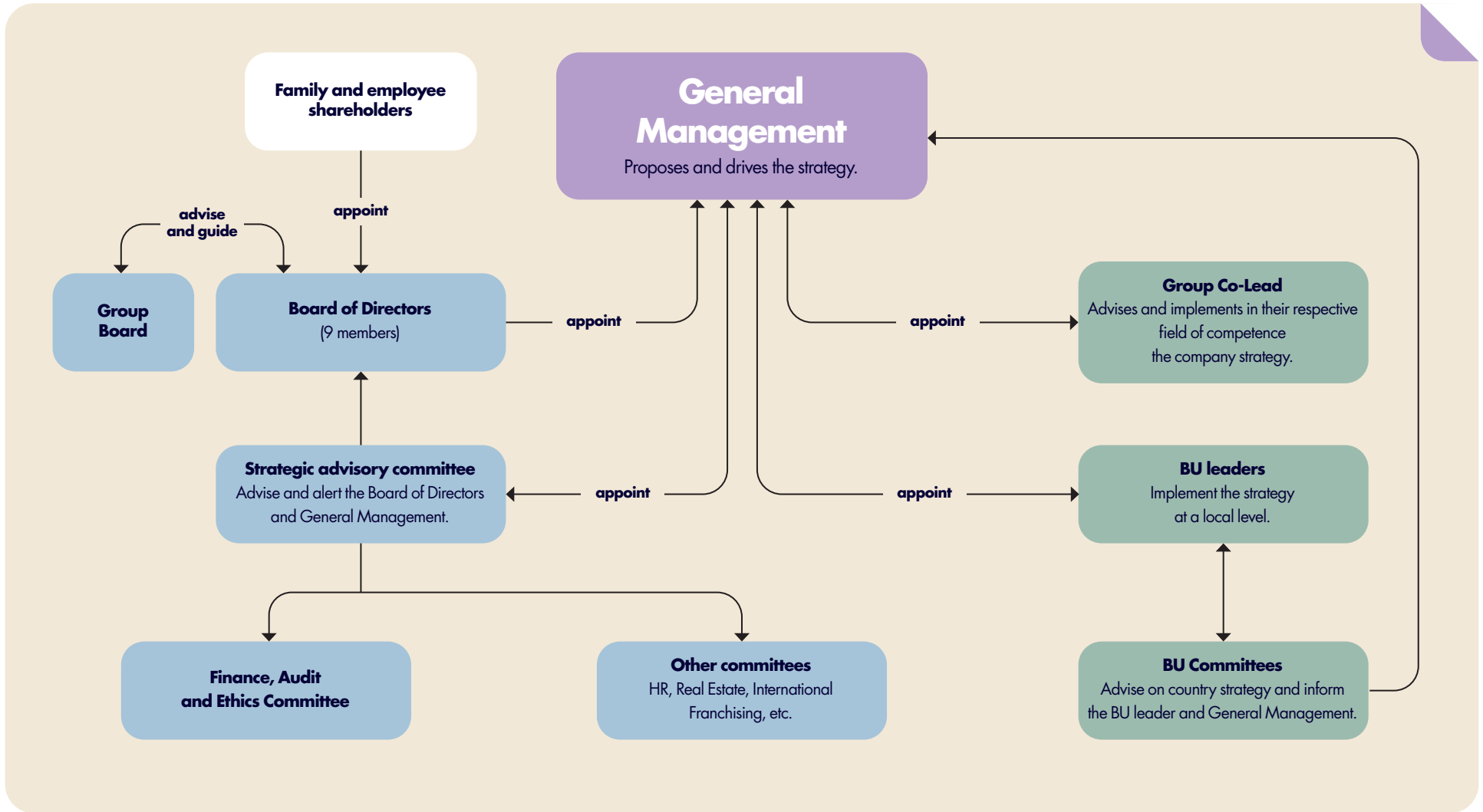
Performance 2023

% of employee shareholders:



KIABI Governance

For sustainable performance



A triple capital approach

The integration of environmental and social issues at the heart of KIABI's strategy calls into question the way in which we define and measure the company's performance.

In addition to our economic indicators, we are identifying new targets, indicators and trajectories for assessing our environmental and social performance. They have been calculated on the

basis of our double materiality assessment.

The integration of these indicators is transforming the way we look at our company's performance. The 'volume of sustainable business' indicator, for example, is designed to help us accelerate the development of an offer that has less impact on the environment and is more circular by incorporating **ecodesign, second-hand, repair and rental**. These indicators will also be taken into account in the valuation of KIABI and will be included from 2025 in this calculation. They will be applicable to the 2024 financial year.



The challenges to be met

- Incorporate environmental and social issues, priorities and responsibilities into governance structures.
- Build and drive triple capital performance, integrating environmental, social and governance performance alongside economic performance.
- Develop secure data and information systems to enable us to consolidate our impact and performance measurements.

Performance 2023

Proportion of **volume of sustainable business**, from repairs, rental, second-hand and ecodesign tiers 1+2+3:

0.3%

2023



Inclusion in remuneration

Integrating KIABI's environmental and social objectives into the remuneration of our employees, in addition to our economic objectives, is an essential lever for driving triple capital performance.

In 2023, we updated our remuneration structure to incorporate these challenges through a new system of variable annual bonuses for KIABI's Management Committee and the management committees of support services and countries. This bonus now includes a **Positive Index**,

which takes into account environmental and social performance:

→ 40% of the Positive Index is therefore determined by the percentage of volumes sold second-hand.

→ 30% by the number of products benefiting from an ecodesign approach (by the end of 2023).

→ 30% by an objective linked to the employer brand and the social climate, which varies according to sector and country (Trust Index© Great Place to Work® for example)

This Positive Index now represents 20% of the variable annual bonus.

The challenges to be met

→ Develop the drive for triple capital performance in our information systems and management rituals.



2. Our ethics and compliance challenges

It is our responsibility to pay close attention to ethical issues within our value chain and with our stakeholders.

In addition, we need to manage developing risks, such as those related to IT security. Through initiatives at all levels of KIABI, we want to give everyone the means to take these issues on board and to act in accordance with our code of conduct and ethics...



Our drivers for acting ethically

Since 2022, one of our units has been specifically dedicated to business ethics within the Finance department. It is responsible for personal data protection issues in order to ensure compliance with the General Data Protection Regulation (GDPR). It also covers the fight against corruption in compliance with the Sapin II Law.

This unit also supports compliance and duty of care issues relating to human rights and environmental protection.

Our approach to ethical issues is based on **three key principles:**

- **Educating our teams** about ethical issues.
- **Respecting laws and regulations** to ensure rigorous compliance.
- **Putting in place effective processes** to integrate ethical practices into all our organisations and processes.

Educating our employees

Under the guidance of the Ethics and Compliance Committee, and in conjunction with the Human Resources teams, we are raising awareness among our employees to enable them to act with transparency and integrity in accordance with the applicable laws and regulations. We have also



given them training in adopting a voluntary, safe and responsible approach to issues relating to men and women, the environment, the company and all our stakeholders. We provide support in particular for direct and indirect purchasing leaders, who work in an international context with a variety of suppliers. We also support development teams in terms of risk control when opening up new points of contact. Three Ethics Committees were organised in 2023.

Ensuring compliance with laws and regulations

In compliance with the **GDPR law**, we guarantee to ensure the protection of personal data. To achieve this, we are organised around four key focus areas:

- Mobilising the teams concerned.
- Monitoring the compliance of procedures and practices.
- Ensuring that customer and employee rights are respected.
- Keeping legal information up to date.

With respect to the **Sapin II Law**, we are using the recommendations of the French Anti-corruption Agency (AFAC) to define an anti-corruption programme based on eight key areas:

- The drawing up of an anti-corruption code of conduct.
- The setting up of an internal whistleblowing system.
- The mapping of corruption risks.
- The assessment of third parties.
- The implementation of accounting controls.
- Corruption prevention actions
- The implementation of a disciplinary system
- The measurement of the performance of the anti-corruption system

Our anti-corruption code of conduct has been added to our company rules and regulations in

France in order to be combined with the disciplinary systems in force. It is therefore accessible to all our French employees.

Our **internal and external alert system** is available in thirteen languages, including the languages of our production basins, to facilitate whistleblowing. It is active and recognised externally. This tool completes the set of alert channels, bringing together local management and social partners.

Ethical governance

The challenge is to integrate ethical practices at all levels within KIABI and to make this **a responsibility for all our employees**. An Ethics and Compliance Committee meets for this purpose several times a year to steer the ethics strategies and provide coherent guidance on initiatives in these areas. This committee is made up of the President of KIABI, the CEO, a compliance officer, the Human Resources Director, the Finance Director, the Data Protection Officer and the KIABI Business Ethics Leader.

From 2024, ethical and compliance issues will be integrated into the Finance Committee to strengthen our triple capital approach and place these issues on the same footing as financial issues," says Gregory Bouquet, Corporate Finance Leader.



Duty of care

Our duty of care is based on **a risk analysis carried out at our suppliers' production plants**. This analysis is based on the social and environmental criteria set out in our audit grid: child labour, forced labour, discrimination, disciplinary practices, health and safety, freedom of association, working hours, wages and benefits, the environment and ethical standards. We are analysing the risks in each of these areas country by country and supplier by supplier, based on the results of all the audits carried out in 2023.

The main risks that have emerged and that we are working on concern excessive working hours, health and safety issues in buildings and ethical standards in factories. Our environmental and social compliance manager in Asia shares these areas of concern with country purchasing managers and their teams on a monthly and annual basis, so that operational action plans can be put in place, as well as compliance, CSR and internal audit managers.

In 2023, the action plans focused on:

Excessive working hours: the procurement, merchandising, capacity and compliance teams work together to understand the root cause of excessive working hours in the factories in question and look for ways to mitigate the risk, such as:
 → Ongoing work on our permanent products. This will enable our suppliers to plan further ahead so that we can smooth out order flows and avoid production peaks.

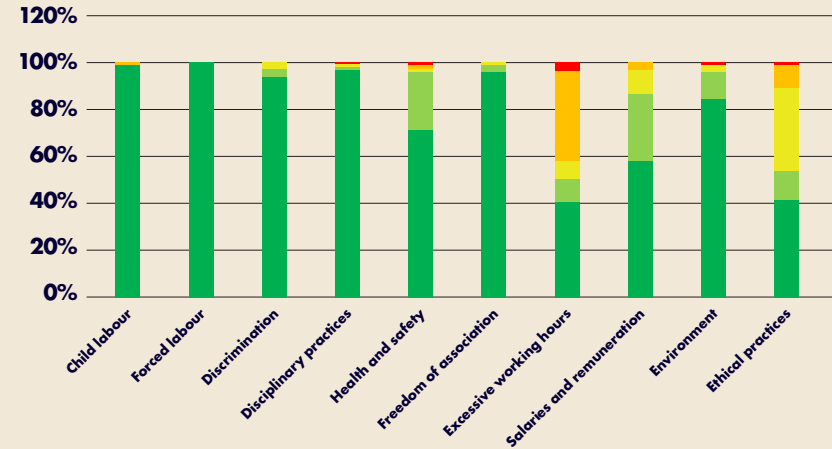
→ Assessments by teams in charge of planning production capacity regarding the option of dual sourcing to ease the suppliers' workloads.
 → These same teams are alerted in the event of an overload situation.

Health and safety: most of the problems identified relate to fire and electrical safety, as well as insufficient personal protective equipment.
 → The compliance team constantly reminds suppliers and factories of these aspects, which can be overlooked by factories, particularly during peak production periods. Ongoing training and self-assessment by suppliers and factories is required.

Ethical standards: we ask our suppliers to share the KIABI code of conduct not only with their tier 1 factories, but also with tier 2 and 3 factories. Suppliers are required to carry out an internal audit of their factories and to keep a record of the business ethics risk analysis.

It should be noted that an E risk rating is sanctioned by a termination of collaboration with the supplier if no remedial action is taken within six months.

Social risk analysis by area 2023 results for tier 1 supplier factories



Disciplinary practices: We observed aggressive and abusive management in a tier 1 factory in Bangladesh. A monitoring audit confirmed that practices had improved.

Health and safety: Non-compliance leads to an E rating for problems related to fire hazards in electrical installations or the building. Seven tier 1 plants were affected in 2023, two were deactivated and five improved.

Excessive working hours: 286 audits of tier 1 plants were implicated. The action plans mentioned above have been implemented.

	A	B	C	D	E
COMPLIANCE GRID	Exceptional	Good	Satisfactory	Inadequate	Unacceptable
FINAL RATING	>_95% No ZTV No critical points	>_90% No ZTV No critical points	>_85% No ZTV Critical point <=1	>_80% No ZTV Critical point <=2	>_80% and/or ZTV and/or critical point >2

Managing IT risks

The security of our information systems is vital to the smooth running of our business activities at KIABI. It is also vital for ensuring that we meet our contractual and legal responsibilities (GDPR, NIS2, etc.) and comply with the certifications (EOA) and standards (PCI-DSS) that apply to us. Over the past two years, IT risks have become a major concern, involving the monitoring of ethics and compliance teams as well as IT teams.

"Whereas a few years ago IT security was just about protecting a private network business area, now remote working, clouds and the wide range of devices available (computer, telephone, etc.) require us to secure each of these elements individually," explains **Jean-Luc Vandendriessche**, Information Systems Security Leader at KIABI.

Our approach involves identifying the main IT security risks and finding solutions that will protect against these risks. In this way, we have identified three major risks: the impact of a malicious act; the risks associated with the complexity of our system and the difficulty of restoring our services; and data exfiltration.

Our teams have outlined **four areas of focus** to address these challenges and ensure KIABI's IT security:

- The drawing up of a disaster recovery plan in the event of an attack.
 - The setting in place of immutable backups.
 - The writing of a strategy for detecting and responding to malicious behaviour.
 - The professionalisation of the operational team.
- In 2023, the team in charge of these issues was

bolstered by the recruitment of three employees whose role is to identify and remedy IT security vulnerabilities. *"We also need to get our internal teams moving,"* points out Jean-Luc Vandendriessche. *"We are working on introducing safety advisors in the teams so that everyone can feel more responsible for these issues. Employee training is also essential, starting with the induction process. IT security is everyone's business."* As part of our drive for continuous improvement and high standards, our teams also worked on defining indicators in 2023. A first indicator enables us to assess and manage KIABI's **IT security compliance rate**. This indicator was defined by the rating agency Bitsight. It was **84%** in 2023.

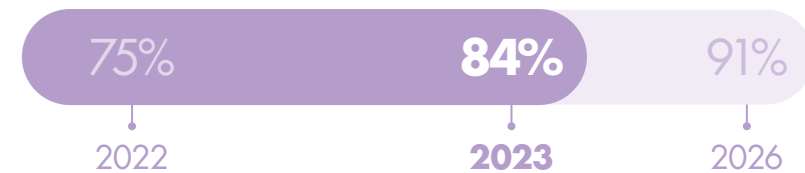


The challenges to be met

- Develop the IT points of contact in the teams and locally, and provide them with the tools to take the lead in this area.
- Continue to define indicators to drive our IT security strategies.
- Work on our disaster recovery plan to optimise the time it takes to get back into operation.

Objectives

IT security compliance rates:



3. Act for and with our customers

Our customers are an essential part of our value chain. Our performance therefore depends in part on our ability to provide an offer that meets their needs, and those of society, while respecting their interests. We therefore measure our ability to satisfy our customers' expectations and include them in our deliberations so that we can develop their experience throughout their customer journey with KIABI.

An improving NPS

The Net Promoter Score (NPS) is an indicator for measuring customer experience. It enables us to establish a performance based on a score, which includes the proportion of customers who recommend the brand and the proportion who dislike it. In 2023, KIABI's NPS for all countries combined went up to 70, two points higher than the previous year. It is the NPS for the shop section in particular that is driving this score upwards, mainly thanks to technical drivers (optional 'Wifi' password, regional and in-store challenges to boost 'Instore', improved customer experience, etc.) as well as the handling of frustrations by the customer committee.

KIABI's NPS is two points higher than the NPS for the sector as a whole*

*Benchmark study conducted with KIABI, JULES, GEMO, PIMKIE, COURIR, ERAM, BIZZBEE

Ensuring the quality of our products

Our **quality department** is responsible for everything from receiving orders in our European warehouses to listening to customer feedback. We analyse return sales in all our countries and across both online and in-store channels. We also carefully study the comments left by our customers

on the KIABI website. Internally, we have set up a **Yammer community** where 1,900 employees can report quality problems, mainly from the shops. All these reports lead to investigations and checks, and total an average of 250 queries per season.

In 2023, the rate of returns for KIABI was 3.09%:

→ 2/3 of returns were due to a customer decision concerning neither the size nor the quality of the product.

→ A proportion of the returns concerned the size of the product. The returned garments were then returned to the shelves.

→ A further proportion of returns concerned a problem with quality resulting from a defective

product (washing problems, broken accessories, holes, etc.). Products returned for quality reasons cannot be sold again. The rate of returns of defective products in 2023 was 0.07%.

In keeping with our commitment to continuous improvement, we involve the teams concerned, as well as our suppliers, in working together to propose corrective actions to address these quality issues.

A customer committee to deal with frustrations

In 2023, we created **a customer committee to identify and address the main frustrations identified by our customers during their experience with KIABI**. Stemming from a mutual need on the part of our Research and Customer Relations departments, this committee has identified three key frustrations for 2023:

- Waiting at the checkout
- Product returns (online and in-store)

→ Sizing

For each of these issues, we brought together the teams and business experts concerned throughout the year to assess the existing situation and come up with solutions. This has enabled us, for example, to reduce frustrations regarding sizing by two points between 2022 and 2023. Three new areas of frustration are going to be addressed in 2024.



Maintaining accessibility

The idea of accessibility has been in KIABI's DNA as a company since 1978, and it will remain there. "When we talk about accessibility, we're not just talking about price, but the relationship between value and price. For each product, we want to guarantee an affordable price without compromising on quality, style or durability," explains **Emilie Gallard**, Offer-based Marketing Leader at KIABI.

We offer low prices all year round ('everyday low price'). The product value/price balance is built around our customers' perceptions, with different levels to meet all needs, ranging from entry-level prices to meet essential needs, through to ranges offering more added value (style, innovation, more advanced features).

In 2023, we fought hard to continue to offer the best solutions in terms of affordability while integrating value factors such as customer satisfaction and environmental impact. In addition, we are working to make our products accessible to all through our inclusive collections (see page 43).

↳ **The challenges to be met**

- Continue to offer the best quality/price/style ratio against a turbulent international background.
- Balance affordable prices with better environmental and social product value.
- Extend the physical and emotional durability of our styles by offering, for example, products with more timeless cuts and colours.

4. Building links with the regions

As an economic player, we help to create jobs and economic and financial value for the regions in which we operate. We aim to go even further by taking an active role in the social and environmental challenges of local ecosystems.



Listen to local needs

In addition to the projects undertaken at the Petits Magasins (see page 45) to help local communities, we are hoping to gradually develop our own shops into **living environments and meeting places for local people**. The challenge is also to take account of the regions' expectations when implementing our various projects.

Within the context of the construction of our new head office, **KIABI Village** in Villeneuve d'Ascq (Hauts-de-France), we organised listening workshops, for example, with residents in the area and towns affected by the project so that we could take their concerns into account in the implementation of the project. These listening sessions enabled us to identify important issues for local residents, such as how to make the site more lively and the range of restaurants on offer.

An endowment fund to support action

Since 2021, **the KIABI endowment fund** has been supporting its employees in developing projects that have a positive impact on society through employment, education and community involvement. The KIABI LIFE fund is in line with

the values and direction of the company in that it enables employees to forge lasting links with local players.

KIABI LIFE is involved with:

- Employment, by creating the conditions to promote the professional inclusion of people who are furthest from employment or in vulnerable situations.
- Education, by promoting inclusion through access to education for all.
- Community support, by preventing and supporting unexpected life events (illness, disability, poverty, isolation, etc.) and creating social links.

The KIABI LIFE fund was created for all KIABI employees and supports all regions wishing to implement a community project. In addition, we also carry out occasional community actions in support of local players: in November 2023, **during Good Friday which we organised for the fourth year running**, we raised funds for a number of international associations, including **SOS Villages d'Enfants** in Belgium, the Portuguese association **Amigo com Cancro**, **Les Restos du Coeur** and **Médecins sans Frontière** in France, **Medici senza Frontiere** in Italy and **Down** in Spain.

5. Operate within an open ecosystem

Addressing new environmental and societal issues and adapting our business models to meet these challenges requires KIABI to be very open to its ecosystem and stakeholders. It is by working together to find answers to these questions that we will be able to put forward solutions that will nurture the entire fashion industry and work in partnership with all those involved.

Our stakeholders:

- **Kiabiers committed** to fashion that is available to all budgets, styles, moments in life, body shapes and differences. We measure their satisfaction via an anonymous annual survey (Great Place to Work).
- **Partner suppliers** that we support and with whom we work for more social and environmental responsibility.
- **Customers** who guide us by sharing their expectations. We take into account their satisfaction/recommendation via the NPS and their comments on social media.
- **Affiliated and franchise partners** all over the world who we support in terms of shop openings, training teams and managers, and who we include in our strategic initiatives.

- **Service providers** (works, training, IT, reception, etc.) with whom we build partnerships.
- **Organisations/NGOs** that we support via our Endowment Fund, the Petit Magasin project, or through acts of solidarity in all of our countries.
- **Media**, with whom we gladly interact in a pragmatic, transparent and sincere way
- **Employee and family shareholders** who are our resources, they control and ensure investments for a resilient and sustainable company

Our partners:

ACTS AND FACTS

actsandfacts.org

This is a movement of individuals and companies

working together to lead concrete actions to accelerate the ecological transition. KIABI has been a member since 2019 and participates in working groups on the ecodesign of products, employee awareness of environmental issues and the recycling of end-of-life textiles.

AMFORI

amfori.org

KIABI joined Amfori in 2018. We share the values and mission of Amfori, which believes that today it is important to take people and the planet into account regarding our actions, in addition to the economic aspect. We are jointly committed to improving our use of natural resources and to open trade relations.

BETTER COTTON INITIATIVE

bettercotton.org

This is a global non-profit organisation that aims to train cotton farmers in more sustainable agricultural practices to improve their quality of life and reduce the impact of cotton on the environment. This support aims to inform growers of the conditions required to comply with workers' rights, how to use water efficiently, take care of the soil and habitats and reduce the use of the most harmful chemicals in cotton cultivation. KIABI has been supporting the Better Cotton Initiative since 2019.

CETIA

cetia.tech

CETIA, which we have been a member of since early 2022, builds solutions to transform textile and leather articles into sources of material ready for recycling. Thanks to automation, robotics and artificial intelligence, we are building efficient

systems to make recycling operations competitive. We support marketers, collectors/sorters and recyclers in the design and deployment of innovative solutions to bring their textile and leather recovery projects to life.

CITEO

citeo.com

Citeo is a company set up by consumer goods and distribution companies to reduce the environmental impact of their packaging and paper by offering them solutions for reducing, reusing, sorting and recycling.

THE CIRCULAR FASHION FEDERATION

federationmodecirculaire.fr

It represents 180 members from the circular fashion and textile recycling industries.

ICS (INITIATIVE CLAUSE SOCIALE)

ics-asso.org

ICS is an international initiative that aims to improve working conditions throughout the supply chain of its retailers and brand members. We joined them in December 2021 to collaborate on common tools and share our factory audits. In this way, we contribute to reducing supplier audit fatigue, sharing our knowledge and best practices and working together to build traceability in our supplies.

ILO (INTERNATIONAL LABOUR ORGANIZATION)

ilo.org

The COVID-19 crisis has caused severe economic

disruption throughout the clothing industry. The ILO's Call to Action, a body linked to the United Nations, aims to protect the income, health and employment of workers in the sector during this period.

This global action also calls for progress towards a sustainable social protection system for a fairer and more resilient fashion industry which is aligned with our Vision at KIABI.

ORGANIC COTTON ACCELERATOR

organiccottonaccelerator.org

OCA unites the textile sector to unlock the potential of organic cotton and generate positive change for people and the planet.

OCA believes that by working together, it is possible to create the conditions for organic cotton to thrive. Every dollar invested in their programme improves farmers' prosperity, contributes to sustainability and ultimately strengthens the integrity of the cotton sector. OCA supports farmers because they are the catalysts for change, the guardians of the earth. By supporting farmers, we are strengthening the cotton sector and saving the planet. KIABI joined OCA in 2021.

ORSE

orse.org

The Observatory on Corporate Social Responsibility is a multi-stakeholder body that supports companies' CSR strategies.

PARIS GOOD FASHION

parisgoodfashion.fr

This is an association that aims to make Paris the capital of more responsible fashion by 2024, the

year of the Olympic Games. Created in 2019 as an initiative of the Paris city authorities, Paris Good Fashion brings together more than a hundred players (major groups, retailers, NGOs, federations, start-ups, etc.), with a common objective: to accelerate environmental and social transition in the sector. Since the end of 2021, KIABI has been working daily to improve and transform industry practices through its participation in working groups.

REFASHION

refashion.fr

This is the textile, clothing, household linen and footwear industry's eco-organisation. It manages the prevention of waste and management of the end-of-service life of products on behalf of the 5000 companies placing goods onto the market. At the heart of the textile, clothing, household linen and footwear industry's ecosystem, Refashion provides tools, services and information that facilitate and accelerate the transformation towards a circular economy.

KIABI has been a member of Refashion for over 10 years and a shareholder for 3 years. We participate in the board of directors and also in multi-company working groups such as the nomenclature, eco-modulation and communication committees.

REFOREST'ACTION

reforestaction.com

Reforest'Action supports companies in transforming their business model towards models that regenerate the living world. Reforest'Action works in three key areas: the development of carbon projects, the promotion of regenerative agriculture, and research and innovation to improve impact.

TEXTILE EXCHANGE

textileexchange.org

This is a non-profit organisation generating a positive climate change impact for the textile and clothing industry. It supports a growing community of brands, manufacturers and farmers towards rethinking production from the beginning of the supply chain. By 2030, its goal is for the industry to reduce its greenhouse gas emissions by 45% in fibre production. Its approach is comprehensive and coordinated, with the aim of accelerating the adoption of agricultural practices that improve water, soil and biodiversity. For real change, everyone needs a clear direction towards positive impact.

That is why Textile Exchange believes that an accessible, continuous improvement approach combined with collective action can shift the paradigm to make more sustainable materials and fibres a mainstream option by mobilising industry leaders through achievable strategies, concrete solutions and a motivated community.

→ Media

Media, with whom we gladly interact in a pragmatic, transparent and sincere way. Since 2019, we have been giving an annual press conference in France and we respond to their occasional requests.

→ Associations / NGOs

that we support via our Endowment Fund, the Petit Magasin project, or through acts of solidarity in all of our countries. KIABI is a member of the Fair

Trade Association, signatory of an agreement with the Business Social Compliance Initiative/ Business Environmental Performance Initiative since 2018.

We support numerous associations mostly through our Endowment Fund, including the League Against Cancer, the 'Agence du Don en Nature', 'Humana Italia', the Red Cross, etc. We work in partnership with professional integration associations in the context of the development of 'Le Petit Magasin' solidarity shops.



1 Details of the 2018 to 2023 indicators

- Act for the environment
- Supporting Kiabers
- Inclusive fashion
- Governance and value creation
- Work with ethics

2 Details of collective agreements by country

- France
- Spain
- Italy
- Belgium
- Portugal

Appendices

05

1. Act for the environment

Details of indicators from 2018 to 2023

Climate change	2018	2019	2020	2021	2022	2023
Carbon emissions in millions of T eq CO ₂ - scope 1/2/3	2.8			2.686	2.436	2.082
Based on 2022 recalculated using methodological changes						2.211
% reduction in equivalent CO ₂ emissions in absolute terms (compared with 2022)						5.8% reduction
Carbon intensity per kg of product purchased in Kg eq CO ₂					42.76	41.32
Carbon intensity of product sold in Kg eq CO ₂	9.3			8.8	7.7	7.1
% of reduction in carbon intensity of product sold compared to 2018				5% reduction	17% reduction	24% reduction
Water consumption	2018	2019	2020	2021	2022	2023
Water consumption at our own sites in m ³						98,975
Ecodesign products	2018	2019	2020	2021	2022	2023
% eco-designed offer excluding online exclusives, shoes and accessories (in number of items)		19%	34%	66%	74%	75%
% of textile products purchased with ecodesign tier 1 (raw materials with a reduced environmental impact)					72%	73%
% of textile products purchased with ecodesign tier 2 (manufacturing processes with a reduced environmental impact)						6.0%
% of textile products purchased with tier 3 ecodesign (manufactured in a tier 1 factory that meets our green manufacturing assessment criteria)						6.4%
% of textile products purchased with ecodesign tier 1+2						6.0%
% of textile products purchased with ecodesign tier 1+2+3						0.0%
Breakdown of materials used (in tonnage of finished products)						
- Organic cotton					6.7%	7.6%
- BCI Cotton*					41.7%	31.3%
- In-conversion cotton					0.8%	2.4%
- Recycled cotton					1.3%	2.4%
- Conventional cotton					14.4%	15.2%
- Linen, hemp...					0.3%	0.4%
- Wool					0.3%	0.3%

*BCI cotton represents 15,976 tons of finished products (excluding production offcuts, i.e. an estimated 27,160 tons including production offcuts).

- Recycled polyester					3.8%	7.8%
- Polyester					16.4%	16.6%
- Cellulosic materials with reduced environmental impact (Ecovero, Lyocell, Tencel, etc.)					0.3%	2.1%
- Conventional cellulosic materials					4.7%	3.5%
- Other recycled synthetic materials (polyester, polyamide, acrylic)					0.0%	0.3%
- Other conventional synthetic materials					5.9%	6.2%
- Other					3.4%	3.9%
Breakdown of fibres used (in tonnage of finished products)						
- Natural materials					65.5%	65.5%
- Synthetic materials					29.5%	28.9%
- Cellulosic materials					5.0%	5.6%
% of recycled materials (in tonnage of finished products)					5.2%	10.5%
% mono-fabric textile products					45%	46%
					48%	51%
					47%	47%
Circularity						
					2018	2019
					2020	2021
					2022	2023
% of second-hand products in all items sold					0.2%	0.5%
End-of-life						
					2018	2019
					2020	2021
					2022	2023
Tonnes of textiles and shoes collected					38	112
					119	180
					388	477
% of tonnes of textiles and shoes collected out of the tonnes marketed two years previously						0.9%
Product origin						
					2018	2019
					2020	2021
					2022	2023
% of quantities shipped by country of production						
- Bangladesh					34%	37%
- China					29%	26%
- India					18%	16%
- Cambodia					8%	7%
- Pakistan					2%	3%
- Myanmar					3%	6%
- Indonesia					3%	2%
					39%	41%
					26%	26%
					13%	12%
					6%	6%
					4%	5%
					6%	2%
					2%	3%
					6%	7%
					2%	1%

- Vietnam	2%	1%	1%	1%	1%	1%
- Turkey	1%	1%	2%	3%	3%	4%
- Egypt	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
- Ethiopia	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%
- Sri Lanka	0.0%	0.1%	0.3%	0.2%	0.1%	0.0%
- Morocco	0.0%	0.0%	0.3%	0.1%	0.1%	0.0%
% Distant sourcing	95%	95%	96%	96%	96%	
% Importers	5%	5%	4%	4%	4%	

Transport	2018	2019	2020	2021	2022	2023
Upstream transport						
• Departure from country of origin						
By sea	93%	92%	87%	90%	94%	95%
By air (including sea + air)	5%	5%	10%	6%	3%	1%
By rail	1%	1%	1%	1%	3%	0%
By road	1%	2%	2%	4%	0%	4%
• Arrival in Europe						
By road	82%	72%	65%	89%	82%	70%
Multimodal (train + barge)	18%	28%	35%	11%	18%	30%
Downstream transport						
By road					92%	91%
By sea					7%	9%
By air (including sea + air)					0%	0%

2. Supporting Kiabers

Details of indicators from 2018 to 2023

Workforces	2018	2019	2020	2021	2022	2023
Consolidated group data	10,315	10,052	9,052	9,107	9,536	9,049
Detailed workforce by country	10,315	10,052	9,052	9,107	9,536	9,049
- French Territory	6,426	6,508	6,204	6,206	6,770	6,381
- Spain	1,532	1,513	1,262	1,255	1,372	1,265
- Italy	609	579	533	616	690	676
- Portugal	53	99	67	98	97	133
- Belgium	208	303	246	294	308	305
- Asia	572	306	298	301	299	289
- Russia	816	653	545	517	-	-
- Brazil	99	91	-	-	-	-
- % management				18%	16%	17%
- % employees				82%	84%	83%
- % men				18%	18%	19%
- % women				82%	82%	81%
- % full time				54%	54%	56%
- % part time				46%	46%	44%
- % age < 30 years old				41%	43%	39%
- % age 30- 50 years old				47%	45%	48%
- % age > 50 years old				12%	12%	13%
- % temporary contract				19%	25%	20%
- % permanent contract				81%	75%	80%
Kiaber Satisfaction (Great Place to Work Trust index)	2018	2019	2020	2021	2022	2023
Consolidated group data				73%	74%	74%
- French Territory				71%	72%	72%
- Spain				79%	78%	75%
- Italy				77%	79%	80%

- Portugal	89%	87%	85%
- Belgium	82%	82%	86%
- Asia	81%	78%	79%
- Russia	76%		

Turnover	2018	2019	2020	2021	2022	2023
Consolidated group data				9.7%	18.4%	19.2%
- French Territory	16%	18.0%	10.6%	14.4%	18.9%	14.6%
- Spain		10.0%	3.1%	15.4%	19.7%	45.5%
- Italy		9.0%	6.8%	5.9%	6.6%	14.0%
- Portugal		97.8%	42.6%	56.1%	21.9%	17.2%
- Belgium			8.0%	18.5%	23.0%	19.6%
- Russia			26.7%	45.2%	0.0%	
- Asia		0.7%	0.9%	0.9%	33.5%	12.7%

Training courses	2018	2019	2020	2021	2022	2023
Total number of training hours provided			59,757	97,040	90,957	97,676
Number of hours of non-compulsory training provided						72, 427
- French Territory						35,139
- Spain						29,902
- Italy						2,898
- Portugal						306
- Belgium						2,716
- Asia						1,467
% of Kiabers trained in skills development (excluding compulsory training courses)						46.4%
- French Territory						46.1%
- Spain						56.8%
- Italy						42.1%
- Portugal						36.4%
- Belgium						22.1%

- Asia	51.8%
No. of Kiabers trained in skills development (excluding compulsory training courses)	7,457
- French Territory	5,322
- Spain	1,317
- Italy	447
- Portugal	64
- Belgium	148
- Asia	159
Number of training hours per Kiaber trained in skills development (excluding compulsory training courses)	4.5
- French Territory	3.00
- Spain	12.90
- Italy	2.73
- Portugal	2.00
- Belgium	4.10
- Asia	4.78

Health/safety of Kiabers	2018	2019	2020	2021	2022	2023
Occupational diseases				0.3%	0.3%	0.4%
- French Territory	0.3%	0.5%	0.4%	0.5%	0.4%	0.6%
- Spain		0.3%	0.2%	0.0%	0.0%	0.0%
- Italy		0.0%	0.0%	0.0%	0.0%	0.0%
- Portugal		0.0%	0.0%	0.0%	0.0%	0.0%
- Belgium		0.0%	0.0%	0.0%	0.0%	0.0%
- Russia		0.0%	0.0%	0.0%		
- Asia		0.0%	0.0%	0.0%	0.0%	0.0%
Absenteeism				5.3%	6.3%	6.7%
- French Territory	10%	5.0%	5.2%	5.5%	5.9%	6.0%
- Spain		5.4%	6.5%	6.0%	9.9%	10.4%
- Italy		1.6%	2.0%	2.6%	3.0%	2.0%

	2018	2019	2020	2021	2022	2023
- Portugal			31.8%	21.9%	2.9%	6.3%
- Belgium			3.2%		14.4%	23.2%
- Russia			2.1%	4.1%		
- Asia		0.7%	0.6%	0.8%	1.0%	1.1%
Frequency rate of accidents at work				15.4	23.9	23.3
- French Territory	40.7	22.1	16.0	17.2	26.1	24.7
- Spain			14.1		19.7	18.0
- Italy			5.2	3.3	7.6	10.9
- Portugal				541.1	15.5	397.7
- Belgium				4.9	8.7	16.7
- Russia			-	-		
- Asia			374.6	-	-	-

3. Inclusive fashion

Le Petit Magasin: social enterprise	2018	2019	2020	2021	2022	2023
No. of openings	0	0	3	6	7	7
Total number of Petits Magasins	1	1	4	10	17	24
No. of people joining as part of professional integration via the Petits Magasins cumulatively since 2020				75	164	273
Garments donated			-	427,740	858,084	-
Hours of training given to people in job integration by Kiabers				1,541	2,515	3,346
No. of people in job integration				36	89	130
No. of beneficiary families				27,632	93,502	185,752
No. of jobs created (or successful outcomes)				4	19	41

Endowment funds: KIABI Life	2018	2019	2020	2021	2022	2023
Donations to partner associations				106,430	163,508	
Beneficiaries				10,000	16,000	
No. of Kiabers involved				6,850	9,000	
Acts of solidarity	2018	2019	2020	2021	2022	2023
Donations to associations by group entities				984,216	500,917	
€ donated to associations via our customers				-	751,931	
Trees planted in partnership with Reforest' Action				500,000	683,564	

4. Governance and value creation

Shared value created	2018	2019	2020	2021	2022	2023
% of employee shareholders						64.5%
- French Territory						77%
- Spain						45%
- Italy						26%
- Portugal						0%
- Belgium						0%
- Russia						
- Asia						0%
Diversity	2018	2019	2020	2021	2022	2023
% of employees with different abilities				2.8%	3.0%	4.0%
- French Territory		5.4%	5.0%	3.6%	3.6%	5.1%
- Spain		3.5%	2.9%	3.2%	1.8%	1.7%

- Italy	2.8%	0.9%	1.3%	1.4%	2.4%
- Portugal	0.0%	0.0%	0.0%	0.0%	0.3%
- Belgium	0.0%	0.0%	0.0%	0.3%	0.0%
- Russia	0.9%	0.9%	0.8%		
- Asia	0.3%	0.3%	0.3%	0.3%	0.3%

Equality Between Men and Women	2018	2019	2020	2021	2022	2023
% female senior executives						36%
Gender equality index (France)	93	97	92	98	94	94

Customer Net Promoter Score	2018	2019	2020	2021	2022	2023
Global NPS				67	68	70
France				65	67	69
Spain				70	70	69
Italy				74	73	72
Belgium				68	68	71
Portugal				77	77	78

Product conformity	2018	2019	2020	2021	2022	2023
Number of products which have been the subject of a customer alert		52	39	48	37	32
Number of products withdrawn from sale		20	12	15	1	0
Number of product recalls regarding our customers		2	2	1	0	0

Model transformation	2018	2019	2020	2021	2022	2023
% volume of sustainable business						0.3%

Cyber security	2018	2019	2020	2021	2022	2023
Cyber security compliance rate (Bitsight index)					75%	84%

5. Work with ethics

Details of indicators from 2018 to 2023

Suppliers	2018	2019	2020	2021	2022	2023
Number of contracted direct suppliers (tier 1)	150	137	138	144	204	195
China	63	60	63	54	54	55
Bangladesh	21	23	22	23	20	21
India	20	15	17	21	18	16
Indonesia	3	1	1	1	1	1
Pakistan	4	5	6	6	5	6
Turkey	4	5	7	17	16	17
Morocco	5	5	4	4	4	0
Sri Lanka					1	0
European importers stores	30	22	18	17	19	21
European importers online					66	58

Factories	2018	2019	2020	2021	2022	2023
Number of tier-1 factories		414	387	405	388	590
China			103	112	97	97
Bangladesh			64	61	60	51
India			42	49	46	40
Indonesia			1	1	1	1
Pakistan			7	7	6	8
Turkey			16	23	33	39
Morocco			4	4	4	0
European importers stores			111	106	108	126
European importers online						187
Sri Lanka			1	1	1	0
Ethiopia			1	1	0	0
Vietnam			3	4	3	5
Cambodia			18	17	13	18

Myanmar			16	19	15	14
Others (Egypt, Tanzania)					1	4
Number of declared tier 2 factories		434	519	428	428	421
China	141	155	166	131	138	
Bangladesh	138	209	140	131	120	
India	92	89	74	86	75	
Indonesia	6	6	1	1	2	
Pakistan	9	14	17	13	17	
Turkey	17	17	20	57	59	
Morocco	13	16	1	0	0	
European importers	8	7	0	0	0	
Sri Lanka	0	0	2	1	0	
Vietnam	0	0	1	2	3	
Cambodia	4	3	4	3	5	
Myanmar	6	3	0	1	0	
Other	0	0	2	2	2	
Number of declared tier 3 factories						33
China						0
Bangladesh						21
India						10
Indonesia						0
Pakistan						2
Turkey						0
Morocco						0
Cambodia						0
Myanmar						0
Environmental compliance	2018	2019	2020	2021	2022	2023
Number of tier 1 and 2 factory environmental audits	25	49	90	138	201	168
China	6	17	54	56	55	38

Bangladesh	19	32	30	43	69	58
India	0	0	4	19	25	25
Indonesia	0	0	0	1	0	1
Pakistan	0	0	1	14	17	12
Turkey	0	0	0	3	32	29
Cambodia	0	0	1	2	2	1
Myanmar						1
Vietnam					1	2
Egypt						1
Number of environmental audits of tier 2 wet process factories		43	78	111	168	169
% of tier 2 very-high water consumption factories audited		24%	46%	74%	91%	64%
% of conformity of environmental audits (tier 1 and 2 factories)						
Former definition: A+B+C scores on all audits carried out for all our factories (distant sourcing and importers)					87%	
New definition: A+B scores on the most recent audits of each factory - distant sourcing only						71%

Social compliance	2018	2019	2020	2021	2022	2023
Number of tier 1 and 2 factory social audits	607	835	832	1016	1167	1209
China	218	255	288	328	350	321
Bangladesh	113	206	215	244	279	206
India	167	145	104	163	182	128
Indonesia	4	1	2	4	2	3
Pakistan	11	20	25	37	38	47
Turkey	9	21	27	78	145	148
Morocco	19	14	13	4	0	0
European importers stores	5	125	123	106	113	124
European importers online						164
Sri Lanka	5	2	2	7	0	0
Ethiopia	0	1	1	0	0	0
Vietnam	6	6	6	5	9	11
Cambodia	28	21	12	22	17	30

	2018	2019	2020	2021	2022	2023
Myanmar	18	18	14	15	25	20
Others	4	0	0	3	7	7
% of tier 1 and 2 factories audited						90%
China						95%
Bangladesh						88%
India						85%
Indonesia						67%
Pakistan						88%
Turkey						85%
Morocco						0%
European importers stores						97%
European importers online						85%
Sri Lanka						0%
Ethiopia						0%
Vietnam						100%
Cambodia						96%
Myanmar						86%
Others						83%
% of conformity of tier 1 and 2 factory social audits (Former definition: A+B+C scores on all audits carried out for all our factories (distant sourcing and importers)	90%	96%	97%	98%	90%	
% of conformity of tier 1 and 2 factory social audits New definition: A+B scores on the most recent audits of each factory - distant sourcing only						55%
China						25%
Bangladesh						62%
India						87%
Indonesia						100%
Pakistan						91%
Turkey						72%
Morocco						0%

	2018	2019	2020	2021	2022	2023
European importers stores						55%
European importers online						45%
Sri Lanka						0%
Ethiopia						0%
Vietnam						38%
Cambodia						55%
Myanmar						75%
Other						100%
% of existing E-grade tier 1 factories with a better grade within 6 months					91%	100%
% of newly referenced tier-1 factories with an A, B or C grade (compliant)					100%	100%

1. France

Type of agreement	Subject	Company concerned	Aims of the agreement	KPI of the agreement	Follow-up by committee members	Validation date	Signature date
QVCT + DISCONNECTION	Well-being at work	UES	Maintain a safe working environment to improve the quality of life at work while encouraging performance	GPTW survey	Once/year	05/07/2022	05/04/2023
REMOTE WORKING	Well-being at work	UES	Maintain balance between employees' quality of life and company performance	GPTW survey	Once/year	05/07/2022	05/04/2023
Social dialogue within CSE	Well-being at work	UES	Build a new organisation together consisting of UES representatives and staff representatives (CSE, CSEC, committees and local representatives)	None	N/A		24/01/2019
Gender equality	Gender equality	UES	To guarantee, promote and act towards professional equality amongst staff, regardless of their gender. 5 commitment areas: employment, professional training, career mobility and internal promotion, pay, working conditions / work-life balance / parental responsibility	Examples: - Creation of an e-learning module to promote diversity: 100% of staff involved in recruitment must take the course - Number of people who have received training within 12 months of returning from extended absence. - Tracking the gender pay gap for staff in the same role with the same level of expertise in the function. - Number of employees on parental leave deciding to retain their cover	Once/year		01/09/2021

Disability	Inclusion	UES	Embedding and reaffirming this social commitment to people with disabilities by - developing our policy aiming to improve on-boarding and recruitment of people with disabilities within our teams - by keeping them in employment - by guaranteeing their professional development	- Number of people recruited and internship contracts - Number of specialist organisations we work with - Rate of accessibility to training for employees with disabilities	Once/year		23/08/2021
Age diversity / Accord GPEC (resource planning agreement)	Inclusion	UES	Facilitate the sustainable integration of young people in employment, encourage recruitment and job retention of older employees, ensure the transmission of knowledge and skills	Examples: - Recruitment of at least 500 young people under 26 years old into permanent roles - Percentage of employees over 55 years old (goal 2.5% of total headcount)	Once/year		28/09/2022
French working hours regulation 1999 + amendment	Well-being at work	UES	Working hours arrangement and reduction as part of the French Law dated 13 June 1998.	No	No		17/06/1999
Tailored working hours agreement	Well-being at work	KIA	Develop the in-store resource planning system for employed staff	No	Once/year		24/02/2004
Sunday working agreement	Buying power	KIA + LOG (2 agreements)	Set up Sunday working and compensation for employees who work on Sundays	No	No		29/01/2010
In-store working hours agreement	Well-being at work	KIA	Set up standard working arrangements for all in-store employees	No	Once/year		11/07/2014
Profit-sharing agreement	Buying power	KIA + LOG + BUN		No	No		18/03/2022
Participation agreement	Buying power	UES		No	No		16/05/2007
On-call	Well-being at work	UES (BUNSHA + KLO)	Clarify and sustain the on-call system, by redefining the outlines of this system (definition, time slots, compensation)	On-call monitoring - number of people - - recurrences over one year	Once/year		01/09/2021

2. Spain

Type of agreement	Subject	Company concerned	Aims of the agreement	KPI of the agreement	Follow-up by committee members
'Workload' agreement	Work-life balance	KES	Rules and regulations to encourage work-life balance	Turnover & Absenteeism	3 times/year
'Benefits' agreement	Well-being at work	KES	Benefits such as increased holidays, work anniversaries, paternity leave, etc.		
Digital disconnection	Work-life balance	KES	Limiting the use of digital devices to encourage and increase disconnection	n/a	3 times/year
Pour Être de KIABI (BEING KIABI)	Buying power	KES	Access to discounts on leisure services such as restaurants, cinemas, gyms, etc.	Rate of Participation	1 time/year
Equality and Diversity Plan	Gender equality	KES	Guarantee, promote and act towards professional equality amongst staff, regardless of their gender.	Turnover & Absenteeism	1 time/year
Improving consistency	Buying power	KES	Bonus for teams for buying KIABI garments to wear at work.	Rate of Participation	2 times/year
Flexible pay	Buying power	KES	Access to particular services (training, travel tickets, restaurant vouchers, medical insurance) at discounted prices with tax benefits.	Rate of Participation	1 time/year
Social inclusion plan	Inclusion	KES	Agreement with associations to recruit people from disadvantaged groups.	eNPS & Rate of Engagement	4 times/year
KIABI Live Committee	Inclusion	KES	Developing activities aiming to improve quality of life for disadvantaged people involving Kiabers.	eNPS & Rate of Engagement	3 times/year
Share ownership	Buying power	KES	Option to participate in the KIABI share ownership scheme.	Rate of Participation	3 times/year

All agreements are renewed and signed every year. The digital disconnection agreement was signed for the first time in 2021.

3. Italy

Type of agreement	Subject	Company concerned	Aims of the agreement	KPI of the agreement
Parental Leave	Work-life balance	SEKI / CIA	Guaranteeing that all employees can return to work stress free through the creation of the CODEV (collective intelligence team) at the end of their maternity leave.	GPTW survey, HR listening day results, % turnover
Parental Leave	Work-life balance	SEKI / CIA	Support and help employees during their maternity period. If the mandatory leave period is used continuously for six months, the company will add an additional 30% of the salary to the 30% state contribution.	GPTW survey, participation rate, % Turnover
End of work advance (TFR)	Well-being at work	SEKI / CIA	Option for the employee to request a TFR (end-of-work) advance in certain situations beyond those defined by the law.	GPTW survey, % Turnover
Special leave	Well-being at work	SEKI / CIA	A special one-week leave for serious issues to enable employees to take time off without any problems when needed.	GPTW survey, participation rate, % Turnover
Payment for Sundays and festive days worked	Buying power	SEKI / CIA	Additional increase beyond what is required contractually. Increasing our employees' buying power.	GPTW survey, participation rate, % Turnover
Assigning three leave weekends that employees can link to the start of a week of holiday.	Work-life balance	SEKI / CIA	Improve work-life balance	GPTW survey % Turnover
Allowing additional flexible hours beyond weekly working hours	Buying power	SEKI / CIA	Additional hours for part-time workers to increase our employees' buying power.	GPTW survey, participation rate, % Turnover
Launch of a Welfare project for employees with a permanent contract: 250 Euros for all employees with a permanent contract and possibility of converting the KIABI performance bonus into welfare (with tax saving, without taxes)	Welfare/ buying power	SEKI / CIA	Increase the buying power of our employees and improve their work-life balance. Possibility of buying various types of services and products through the Welfare portal.	GPTW survey % Turnover

CIA: integrated company contract that includes all of these conditions / benefits. Signed on 13 December 2021 in force until December 2024

4. Belgium

Type of agreement	Subject	Company concerned	Aims of the agreement	KPI of the agreement	Follow-up by committee members
Maternity	Well-being in the workplace.	KSCB	Global protection plan as part of the protection of maternity (CDV role).	N/A	No
Sunday working agreement	Work-life balance	kSCB	Implementation of compensation agreements for Kiabers who work on Sundays, 100% salary bonus or the option of a day's rest as well as rules guaranteeing family life/weekends.	N/A	Previously negotiated with social partners
2022 → Plan for the employment of workers aged 45 years and over	Work-life balance	KSCB	Actions aiming to increase the rate of employment for workers over 45 years old and promoting job retention.	absenteeism	Previously negotiated with social partners. Assessment and areas for improvement once/year
2022 → Collective labour agreement on the non-recurrent advantages linked to results (or CCT90)	Buying power	KSCB	Collective labour agreement (annual) with social partners enabling an exemption from social security contributions and taxes for Kiabers.	N/A	Results regularly monitored in employee representative committee meeting
2023 → Collective labour agreement on the non-recurrent advantages linked to results (or CCT90)	Buying power	KSCB	Collective labour agreement (annual) with social partners enabling an exemption from social security contributions and taxes for Kiabers.	N/A	Results regularly monitored in employee representative committee meeting

5. Portugal

Type of agreement	Subject	Company concerned	Aims of the agreement	KPI of the agreement	Follow-up by committee members
Collective labour agreement	The retail, wholesale and e-commerce sector	APED	The aim is to monitor and closely follow issues that are vital to the sector, and to contribute to more informed and long-term decision-making.	N/A	N/A

Anexo 3 : datos específicos de España

Este anexo complementario de KIABI España KSCE, S.A. a la declaración de resultados extrafinancieros de Bunsha Internationale SAS. ha sido elaborada de acuerdo con las exigencias de la Ley 11/ 2018, de 28 de diciembre, de Información no Financiera y Diversidad -que modifica el Código de Comercio-, el texto de la Ley de Sociedades Anónimas, aprobado por el Real Decreto-Ley 1/2010, de 2 de julio, y la Ley 22/2015, de 20 de julio, de Auditoría de Cuentas, en materia de información no financiera y diversidad. Este anexo trata exclusivamente de la información no financiera regulada por el artículo 49.1.2 de la Ley de Información Financiera. Todos los datos facilitados corresponden al ejercicio 2023 (1 de enero - 31 de diciembre de 2023) y al ejercicio 2022. Han sido revisados de forma independiente por Mazars.

Calidad y medio ambiente

KIABI ha renovado el certificado ISO 14001 de gestión medioambiental e ISO 9001 de gestión de la

calidad, acreditado por AENOR. Esta certificación nos permite mejorar nuestros procesos internos y su eficacia de manera continua, aportando un valor añadido y asegurando que nuestros productos cumplen con las especificaciones legales y expectativas de nuestros clientes.

Asimismo, los properties con los que trabaja KIABI

tienen el compromiso de implementar políticas de sostenibilidad para reducir su impacto en el entorno y fomentar prácticas inmobiliarias sostenibles, incorporando los objetivos de Desarrollo Sostenible de la Agenda 2030. Algunas de las acciones con los properties han sido la colaboración para alcanzar la certificación BREEAM de los activos inmobiliarios, estrategias de cero residuos o reciclaje, fomento de la movilidad sostenible, aumentar el bienestar de las personas, reducción de las emisiones de gases de efecto invernadero y optimización de los consumos energéticos. Desde KIABI exigimos que todos los partners y colaboradores adquieran compromisos en la toma de decisiones de una forma ética, responsable y sostenible.

Energía :

- El consumo de energía en 2023 en nuestros centros de trabajo fue de 15.276.043 Kwh mientras que el consumo en 2022 fue de 14 678 579 Kwh. El aumento en el consumo se debe a que se han realizado ocho aperturas de tiendas sucursales en el año 2023.
- Continuamos apostando por energía procedente de fuentes renovables (energía verde 100%) y con certificados de garantía de origen.
- Colaboramos con empresas de Grupo a nivel SRS para fijar objetivos de reducción de consumo en colaboración con nuestro consultor energético.
- Sustitución de máquinas de clima más eficientes, ampliación de luminarias tipo LED, mejoras en la rotulación, instalación de baterías de condensadores en nuevas tiendas.
- Formación de nuestros equipos en buenas

prácticas de ahorro energético, Sostenibilidad y buenas prácticas ambientales

Consumibles :

- Bolsas clientes: utilizamos en nuestras tiendas bolsas de papel 100% reciclado de 3 tamaños diferentes las cuales poseen el certificado FSC (papel proviene de bosques gestionados de manera responsable) y punto verde.
- Rollos térmicos: libres de bpa.
- Perchas: material procedentes de plástico reciclado.

Envases :

- KIABI está adherido y cumple sus obligaciones en materia de RAP a través del SCRAP de envases de Ecoembes.
- Adhesión a los Planes Empresariales de Prevención (PEP) de residuos de envases, programa elaborado por Ecoembes, en el cual ponemos en marcha buenas prácticas relacionadas con: reducción del impacto ambiental, aligeramiento de envases; utilización de material procedente de procesos de reciclado.
- Cumplimiento del RD 1055/2022 de Envases y Residuos de Envase mediante el reporte la declaración de envases comerciales y domésticos puestos en el mercado español, registro de productores, impuesto al plástico de un solo uso.

Gestión de residuos :

- Gestión de residuos: trabajamos con gestores de residuos autorizados para la recogida, gestión y

tratamiento de los residuos generados en nuestros centros.

- Concienciación de los equipos en la segregación de residuos (plástico, cartón y fracción resto).
- Gestión de Tóners: colaboramos con la empresa de gestión de cartuchos y tóner gastados.
- Gestión de RAEEs (residuos de aparatos eléctricos y electrónicos) a través de gestor autorizado.

Economía Circular :

- Taller de Personalización para hacer de cada prenda una pieza única. Un taller de transformación para ofrecer una segunda vida a la ropa. Los talleres están animados por Kiabers formados en la personalización y customización de ropa y accesorios (parches, estampados, bordados).

Nuestros equipos

Empleo

Desde que se fundó la marca en Francia en los años 70, nuestra marca ha sido un claro compromiso para facilitar la vida de las personas. En nuestro caso, democratizando la moda, a precios precios para toda la familia.

Y esa palabra, FAMILIA, está en el corazón de nuestro ADN. Cuidamos de nuestros empleados como si fueran de la familia, lo que significa que también cuidamos de sus familias. Y del mismo modo, los Kiabers cuidamos de nuestros clientes y de nuestro ecosistema, formando una gran comunidad de personas que comparten el mismo propósito, valores y creencias.

« Facilitar la vida a las familias creando juntos una moda responsable y soluciones sostenibles. »

Esta es la frase que da sentido a nuestra nueva Visión 2030, y es la base de todo lo que hacemos en la empresa, para empleados, clientes, socios, etc. Es el objetivo, el faro, de los Kiabers en todo el mundo, estemos donde estemos.

Los siguientes cuadros muestran el desglose de los equipos españoles sobre una base consolidada. Los desgloses se basan en el número de empleados a 31 de diciembre de 2023 y 2022 respectivamente.

Número total y distribución de los empleados por sexo, edad y la clasificación profesional.

KIABI España cerró 2023 con una plantilla de 1.265 personas repartidas por todo el país. A finales de 2023, contaba con 67 tiendas, incluida una franquicia, y servicios centrales.

Número total de empleados

Año fiscal 2022

Número total de personas	Hombres	Mujeres	% hombres	% Mujeres
1372	177	1195	12,90%	87,10%

Año fiscal 2023

Número total de personas	Hombres	Mujeres	% hombres	% Mujeres
1265	155	1110	12%	88%

Por categoría profesional

Año fiscal 2022

Categoría Profesional	Hombres	Mujeres	Total	% Hombres	% Mujeres
Directores	6	3	9	67%	33%
Gestores intermedios	43	104	147	29%	71%
Empleados	128	1088	1216	11%	89%
Total general	177	1195	1372	13%	87%

Año fiscal 2023

Categoría Profesional	Hombres	Mujeres	Total	% Hombres	% Mujeres
Directores	6	3	9	67%	33%
Gestores intermedios	43	78	121	36%	64%
Empleados	106	1029	1135	9%	91%
Total general	155	1110	1265	12%	88%

Por edad**Año fiscal 2022**

Edad	Hombres	Mujeres	Total
<25	29	185	214
25-35	82	498	580
36-55	62	501	563
>55	4	11	15
Total	177	1195	1372

Año fiscal 2023

Edad	Hombres	Mujeres	Total
<25	24	163	187
25-35	61	429	490
36-55	66	505	571
>55	4	13	17
Total	155	1110	1265

Número total y distribución de los tipos de contratos de trabajo

En KIABI España estamos comprometidos con las personas que forman parte de este gran proyecto, por lo que hacemos todo lo posible para impulsar la carrera profesional de todos y cada uno de los Kiaber. En KIABI, todos son protagonistas de su propio desarrollo, trabajando en planes de acción individuales que les permitan asumir nuevas responsabilidades. Trabajar en KIABI significa formar parte de una empresa en continuo desarrollo, con un extraordinario ambiente de trabajo en el que la comunicación y el trabajo en equipo son pilares fundamentales.

¿Qué es ser kiaber? Ser kiaber es una actitud, cuyas cualidades o comportamientos más representativos serían :

1. Ser emprendedor: tomar las riendas de tu desarrollo en la empresa, tener voz propia, aportar y proponer, sea cual sea el rol que asumas dentro de KIABI. Equivocarse, aprender, volver a intentarlo y tener éxito (cultura del error/aprendizaje/derecho). Un claro ejemplo de la puesta en práctica de esta cualidad son las asignaciones y la gestión de proyectos dentro de la empresa por parte de los comerciales, los jefes de tienda o los servicios centrales, o nuestra política de movilidad interna.

2. Ser generoso: COMPARTIR, con capitales; conocimientos, tiempo, recursos, con acciones de la Fundación KIABI, etc. Pedir y dar ayuda cuando sea necesario, con humildad y para un objetivo común. Con esta idea se puso en marcha el programa de participación interna de la empresa, para compartir el éxito con

las personas más importantes de la familia de los empleados de KIABI.

3. El servicio al cliente: nuestra razón de ser, el centro de todas nuestras decisiones y por el que todos trabajamos como objetivo común. Es el principio y el fin de todo lo que hacemos en la empresa.

4. Ten pasión: por lo que haces, por el cliente, por la moda, por la familia, por los amigos, por las aficiones que todos tenemos, por el planeta, ... Vive cada día como si fuera único. Nuestros procesos de selección, en los que involucramos a personas de toda la empresa, representan perfectamente esta pasión.

5. Estar cerca: no importa cuál sea tu función en la empresa, todos se relacionan entre sí de forma sencilla e individual, independientemente de la jerarquía o la estructura organizativa. Fomentamos una cultura de retroalimentación constructiva continua, basada en la honestidad y la ambición de mejorar individualmente y como equipo.

6. Exigente: con uno mismo y con los demás. Porque el objetivo colectivo está por encima del individual, y cada persona da lo mejor de sí misma, con responsabilidad, para conseguirlo.

Distribución de los empleados por tipo de contrato permanente o temporal, tipo de contrato a tiempo completo y/o a tiempo parcial.

Año fiscal 2022

Tipo de contrato	Hombres	Mujeres	Total
Empleo a tiempo completo	59	183	242
Empleo a tiempo parcial	118	1012	1130
Total general	177	1195	1372

Año fiscal 2023

Tipo de contrato	Hombres	Mujeres	Total
Empleo a tiempo completo	67	199	266
Empleo a tiempo parcial	88	911	999
Total general	155	1110	1265

Año fiscal 2022

Tipo de contrato	Ilimitado	Plazo fijo	Total
Empleo a tiempo completo	238	4	242
Empleo a tiempo parcial	786	344	1130
Total general	1024	348	1372

Año fiscal 2023

Tipo de contrato	Ilimitado	Plazo fijo	Total
Empleo a tiempo completo	264	2	266
Empleo a tiempo parcial	900	99	999
Total general	1164	101	1265

Año fiscal 2022

Tipo de contrato	Hombres	Mujeres	Total
Ilimitado	141	883	1024
Plazo fijo	36	312	348
Total general	177	1195	1372

Año fiscal 2023

Tipo de contrato	Hombres	Mujeres	Total
Ilimitado	141	1023	1164
Plazo fijo	14	87	101
Total general	155	1110	1265

Por tipo de contrato y edad

Año fiscal 2022

Edad	Empleo a tiempo completo	Empleo a tiempo parcial	Total
<25	0	214	214
25-35	69	511	580
36-55	167	396	563
>55	6	9	15
Total general	242	1130	1372

Año fiscal 2023

Edad	Empleo a tiempo completo	Empleo a tiempo parcial	Total
<25	3	184	187
25-35	77	413	490
36-55	179	392	571
>55	7	10	17
Total general	266	999	1265

Año fiscal 2022

Edad	Ilimitado	Plazo fijo	Total	%Indefinido
<25	88	126	214	41%
25-35	409	171	580	71%
36-55	513	50	563	91%
>55	13	2	15	87%
Total general	1023	349	1372	74,56%

Año fiscal 2023

Edad	Ilimitado	Plazo fijo	Total	%Indefinido
<25	155	32	187	83%
25-35	448	42	490	91%
36-55	545	26	571	95%
>55	16	1	17	94%
Total general	1164	101	1265	92%

Por tipo de contrato y categoría profesional

Año fiscal 2022

Categoría profesional	Ilimitado	Plazo fijo	Total	% Indefinido
Directors	9	0	9	100%
Intermediate managers	147	0	147	100%
Employees	868	348	1216	71%
Total general	1024	348	1372	75%

Año fiscal 2023

Categoría profesional	Ilimitado	Plazo fijo	Total	% Indefinido
Directores	9	0	9	100%
Gestores intermedios	116	2	118	98%
Empleados	1039	99	1138	91%
Total general	1164	101	1265	92%

Número de despidos por sexo, edad
y clasificación profesional

por grupo de edad y sexo

Año fiscal 2022

Edad	Hombres	Mujeres	Total
<25	1	2	3
25-35	2	4	6
36-55	3	5	8
>55	1	1	2
Total general	7	12	19

Año fiscal 2023

Edad	Hombres	Mujeres	Total
<25	0	0	0
25-35	1	6	7
36-55	5	17	22
>55	0	2	2
Total general	6	25	31

Por categoría profesional y sexo**Año fiscal 2022**

Categoría profesional	Total
Directores	1
Gestores intermedios	8
Empleados	10
Total general	19

Año fiscal 2023

Categoría profesional	Total
Directores	0
Gestores intermedios	17
Empleados	14
Total general	31

La estrategia de KIABI España es posicionar los salarios y beneficios en torno a la mediana del mercado. Nuestra referencia será tanto el mercado general, que proporciona una aproximación válida por la estabilidad de su evolución, a tener en cuenta

especialmente en el caso de los Servicios Centrales, como el mercado de la distribución, útil para medir la competitividad de las retribuciones en relación con la competencia directa en los equipos de tienda. En cuanto a las condiciones laborales, se pretende

estar por encima de la media de las empresas del sector.

KIABI España cuenta con un paquete de remuneración que incluye salario fijo y variable y beneficios. Además de nuestra cultura y valores corporativos, ofrecemos oportunidades de formación y desarrollo y un entorno de trabajo agradable. Todo ello forma parte de un enfoque holístico de la remuneración. La experiencia laboral, un aspecto menos tangible pero muy valorado por los empleados, determina en gran medida el sentido de la permanencia, e implica cuestiones tan variadas como :

- Cultura y valores
- Reconocimiento
- Igualdad-Diversidad-Inclusión
- Conciliación de la vida laboral y familiar
- Comunicación abierta, publicación de vacantes
- Encuestas de clima y experiencia de los empleados
- Herramientas de trabajo
- Responsabilidad social de las empresas
- Lugares de trabajo confortables
- Entorno de trabajo internacional

Salud y seguridad

La seguridad de nuestros compañeros es una prioridad. Por ello, las políticas de seguridad de KIABI España se centran en crear un entorno de trabajo de bienestar en todas sus dimensiones: seguridad, física, emocional y económica, ofreciendo una formación adaptada a los diferentes puestos que ocupan nuestros equipos desde su incorporación a la empresa.

En cuanto a la siniestralidad, en 2023 se produjeron 27 accidentes con baja (en 2022 se produjeron 29 accidentes con baja), todos ellos leves. A continuación se presentan los datos correspondientes al número de accidentes de trabajo con baja, desglosados por género:

Sexo	2022	2023
Hombres	1	2
Mujeres	28	25
Total	29	27

Relaciones sociales

KIABI España está acogido a su propio convenio colectivo de empresa, que se aplica al 100% de sus trabajadores, por lo que a finales de 2023 el porcentaje de trabajadores acogidos al convenio era del 100%. En Enero de 2023 se firmó el nuevo convenio colectivo de KIABI España que hace referencia al Convenio de grandes almacenes en determinadas materias laborales.

KIABI España cuenta con un comité de empresa intercentros formado por miembros de los agentes sociales y de la empresa. A través de reuniones periódicas y mecanismos de negociación colectiva, se mantiene el diálogo con los representantes de los trabajadores, siendo un ejemplo de este canal de información los acuerdos de mantenimiento del empleo, el acuerdo de posicionamiento de la jornada laboral y el acuerdo de desconexión digital.

Asimismo, KIABI España cuenta con un Comité de

Seguridad y Salud, órgano paritario y colegiado de participación para la consulta regular y periódica de las actuaciones necesarias en materia de prevención de riesgos. Los comités de seguridad y salud se encargan de defender los intereses de los trabajadores en materia de prevención de riesgos laborales.

Por último, KIABI España vela por el cumplimiento de los objetivos de igualdad recogidos en su Plan de Igualdad, manteniendo un canal regular de comunicación, con el que mantiene el establecimiento de un protocolo contra el acoso sexual y el acoso por razón de sexo, tal y como se recoge en nuestro convenio colectivo, cuyo capítulo XI contiene el acuerdo para la prevención y tratamiento de las situaciones de acoso moral y sexual. El acuerdo establece los tipos de acoso (artículos 57 y 58) y el procedimiento de actuación (artículo 59) de acuerdo con las recomendaciones legislativas. Durante el año 2023, no se registró ninguna queja relacionada con el acoso según el informe indicado por el Comité de Investigación.

Formación

La política de formación de la empresa responde a las necesidades detectadas por la empresa y a las que pueden transmitir las personas en el marco de sus procesos de evaluación del desempeño. El catálogo de formación es visible para todos los empleados. Toda la formación tiene lugar durante el horario laboral. Las personas que tienen que realizar exámenes pueden inscribirse en ellos a

través de una aplicación interna de asignación. La estrategia de formación de la empresa se basa en el modelo de aprendizaje 70/20/10. El 70% se adquiere a través de la formación en el puesto de trabajo, el 20% se aprende de otros (por ejemplo, experiencias de tutoría) y el 10% a través de la formación formal

A continuación se presenta el número total de horas de formación por género.

Sexo	Horas 2023	Horas 2022
Mujeres	27 354	27 708
Hombres	5 204	4 817
Total	32 558	32 525

Igualdad

Como buscadores de talentos, nos enorgullecemos de ofrecer igualdad de oportunidades y nos comprometemos a contratar a los mejores talentos, independientemente de su raza, sexo, edad u otras capacidades.

KIABI España mantiene sus planes de seguimiento y actuación de acuerdo con la Ley Orgánica 3/2007, de 22 de marzo, y se rige, tanto en la interpretación como en la aplicación de su actual y vigente convenio colectivo KIABI España, por el principio de igualdad y no discriminación por razones personales consagradas en el artículo 14 de la Constitución y en el artículo 17.1 del Estatuto de los Trabajadores, y sobre todo por el principio

de igualdad efectiva de mujeres y hombres que se desarrolló a partir de la Ley 3/2007, de 22 de marzo-

Dichas disposiciones se consideran una referencia interpretativa primordial del citado convenio colectivo. Asimismo, KIABI España cuenta con un plan de igualdad para mujeres y hombres que recoge el compromiso de la empresa con los siguientes puntos:

1. Selección.
2. Contratación de personal.
3. Promoción.
4. La formación.
5. Remuneración.
6. La reconciliación.
7. La salud en el trabajo.
8. Prevención del acoso sexual y/o de género y de la violencia de género.
9. Comunicación y sensibilización.

En este contexto y continuando en la línea de trabajo mencionada, en fecha 14 de septiembre de 2022 se firmó el 2º Plan de Igualdad, de KIABI España.

Promedio de remuneración por Categoría, franja de edad y sexo.

	Nº trabajadores	Total Remuneraciones	Media Remuneración
Directivos Hombres	3,97	399 215	100 558
Mandos Hombres	38,71	1 595 907	41 227
Empleados Hombres	72,05	1 447 243	20 088
Directivos Mujeres	3,00	293 840	97 947
Mandos Mujeres	89,27	2 921 804	32 729
Empleados Mujeres	628,80	12 587 740	20 019
Total Remuneración Hombres	114,73	3 442 364	30 005
Total Remuneración Mujeres	721,07	15 803 385	21 916

	Nº trabajadores	Total Remuneraciones	Media Remuneración
Directivos Hombres <25	0,00	-	-
Directivos Hombres 25-35	0,00	-	-
Directivos Hombres 36-55	3,97	399 215	100 558
Directivos Hombres >55	0,00	-	-
Mandos Hombres <25	0,00	-	-
Mandos Hombres 25-35	13,06	437 942	33 533
Mandos Hombres 36-55	24,65	1 089 348	44 193
Mandos Hombres >55	1,00	68 617	68 617
Empleados Hombres <25	12,77	259 736	20 340
Empleados Hombres 25-35	34,61	702 814	20 310
Empleados Hombres 36-55	23,07	459 035	19 897
Empleados Hombres >55	1,61	25 657	15 936

	Nº trabajadores	Total Remuneraciones	Media Remuneración
Directivos Mujeres <25	0,00	-	-
Directivos Mujeres 25-35	0,00	-	-
Directivos Mujeres 36-55	3,00	293 840	97 947
Directivos Mujeres >55	0,00	-	-
Mandos Mujeres <25	0,00	-	-
Mandos Mujeres 25-35	19,91	745 908	37 464
Mandos Mujeres 36-55	67,36	2 111 781	31 349
Mandos Mujeres >55	2,00	64 115	32 057
Empleados Mujeres <25	82,10	1 640 051	19 976
Empleados Mujeres 25-35	270,22	5 308 281	19 644
Empleados Mujeres 36-55	269,52	5 501 462	20 412
Empleados Mujeres >55	6,96	137 946	19 820

El cálculo del N.º de trabajadores se ha realizado siguiendo el criterio de jornada anual efectiva trabajada (Full Time employee).

Estos datos no incluyen los trabajadores que prestan servicios para otros países.



Methodology & definitions

06

Context

In accordance with the French Order No. 2017-1180 of 19 July 2017 on the publication of non-financial information by certain companies meeting the criteria, as well as French Law No. 2017-399 of 27 March 2017 on the monitoring duty of parent companies and instructing businesses, the KIABI Group has drawn up this extra-financial performance declaration which includes:

- Measures to identify and prevent social, corporate and environmental damage related to its activity, within the framework of an obligation of means, for the year 2023;
- Reasonable due diligence measures to identify and prevent serious harm on human rights, fundamental freedoms, the health and safety of individuals and the environment, within the framework of an obligation of means, for the year 2022.

The KIABI Group has chosen to produce only one document, meeting the obligations set out above. This document, even though it includes the elements of the monitoring plan, will be called an 'extra-financial performance declaration'.

This declaration covers all the companies belonging to the KIABI Group, i.e. all the French and foreign companies controlled directly and indirectly, within the meaning of Article L.233-3 of the French Commercial Code, by BUNSHA INTERNATIONAL (the parent company), as well as all its suppliers and subcontractors (referred to as "Suppliers" from now on) with whom it has an established commercial relationship. There is an established commercial relationship, in accordance with French case law, provided that there is a stable and regular business relationship

In this declaration, the term "stakeholders" is to be understood as suppliers, subcontractors, service providers, customers, franchisees, affiliates, agents, associations and employees of the KIABI Group.

By 'employees', we mean all the employees of the KIABI Group, whether they are on permanent or fixed-term contracts, part-time or full-time, or corporate officers (sometimes referred to as 'Kiabers' from now on).

Article L. 225-102-1 of the French Commercial Code requires that certain information be systematically included in the EFPD (Extra-Financial Performance Declaration), in addition to the extra-financial risks specific to our business.

Mandatory elements to be covered in the EFPD:

- The circular economy: covered in section 5. Developing a more circular distribution and consumption model for the Act for the Environment section
- Climate change: covered in section 1. Issues and indicators in the 'Act for the Environment' section
- Collective agreements concluded in the company and their impact on the economic performance of the company and on the working conditions of employees: covered in section 3. Promote equal opportunities and inclusion. Social commitment for all. The details of the collective agreements can be found in the Appendix.

It should be noted that we have 1 Central Social and Economic Committee (CSEC) - 4 Social and Economic Committees (CSE), 3 of which have a Health, Safety and Working Conditions Committee (CSSCT) as well as in-store Staff Representatives. The 4 CSEs concern the French companies KIABI Europe, KIABI Logistique, KIABI Logistique Hem and Bunsha. The signed agreements apply to these French companies, which have specific legislation and obligations. The other countries do the same based on their legislation.

- Diversity: covered in section 3. Promote equal opportunities and inclusion. Social commitment for all.
- Disability: covered in section 3. Promote equal opportunities and inclusion. Social commitment for all.

- Respect for animal welfare is considered irrelevant because in our designs:
 - 0.03% of the SUMMER and WINTER collections 2023 contain leather
 - 0.3% (of all our purchased quantities excluding footwear) of the SUMMER and WINTER 2023 collections contain wool
 - no clothing contains fur.
- The fight against food waste is not considered relevant to our business.
- The fight against food insecurity is not considered relevant to our business.
- Responsible, fair and sustainable food is not considered relevant to our business.
- Initiatives to promote physical activity and sport are not considered relevant to our business.
- Initiatives to promote the National Army link and support commitment to the reserves are not considered relevant to our business.

Note on methodology and definitions

Period and scope of the report

Reporting period:

- The social, corporate and environmental data cover the period from 1 January to 31 December 2023.
- The collection data is based on the purchasing period for the 2023 summer and winter collections.

Business model

Franchise partner: in an independent company which, through a contract law, benefits from the right to exploit KIABI's knowledge, brand, sign and commercial procedures, in return for payment of royalties.

Affiliate partner: commission-affiliation is a distribution method by which a trader, the Commissioner-Affiliate, sells products belonging to another person (i.e. here, KIABI), on behalf of the latter and under its trademark, with a commission calculated based on the turnover made in return.

Vendor suppliers: natural or legal person co-contracting with the KIABI group, involved in the context of supplying products to companies of the group, who are responsible, directly or through commercial partners, for selling the products to the final consumer.

Non-market purchases: indirect purchases are goods and services that companies need in order to operate, but which are not part of their core business.

Collections teams: all teams who work in designing products at KIABI (collection managers, market managers, product managers, assistant

product managers, stylists, pattern makers, graphic designers, offer auditors, etc.)

NPS = Net promoter score: indicator used by companies enabling them to measure the satisfaction and loyalty of a consumer towards a brand. The NPS evaluates to what extent the customer recommends a certain company, product or service to their friends, family or colleagues.

Points of contact: point of contact refers to all mechanisms that we have enabling us to sell products or provide a service to our customers, whether they are physical or digital (shops, shop in shop which are KIABI corners in other stores, websites, market places, etc.).

Strategy and governance

Business unit (or 'BU') means 'organisational unit' or 'business area' and defines an entity of the company and/or a department of the company that acts as a distinct part and has some form of autonomy in its operations. Examples of business units are: marketing, collections, finance, distribution countries France, Spain, Italy or international franchise operators.

Link between our extra-financial risk mapping and the challenges and opportunities of double materiality

In 2023, we produced our first double materiality matrix and decided to integrate it into the EFPD. As the EFPD's requirements are based on risk mapping, we have drawn up a correlation table between the old extra-financial risks and the new issues arising from the double materiality assessment (see table below).

Some risks, such as employee health and safety, customer health and safety or corruption, do not fit into the double materiality framework. These issues were not selected as the most significant for KIABI. Nevertheless, we have included some indicators relating to these areas.



Area	Challenges	Main extra-financial risks	CSRD issues identified	Key indicators for monitoring
Environmental	Environmental impacts linked to the production of KIABI articles	<ul style="list-style-type: none"> Climate change (increase in greenhouse gas emissions) Depletion of non-renewable resources Deterioration of biodiversity 	#3 Climate change #4 Access to raw materials #8 Water consumption #9 Water pollution #10 Biodiversity loss #14 Land pollution #15 Land use	<ul style="list-style-type: none"> % change in carbon emissions scope 1/2/3 in absolute terms compared with 2022 Breakdown of materials (in tonnage of finished products bought) Proportion of our textile items bought attaining ecodesign tier 1+2 Proportion of second-hand products in all items sold by KIABI Water consumption at our own sites
	Environmental impacts linked to the end-of-life of products	<ul style="list-style-type: none"> Waste and pollution linked to the lack of product recovery and recycling 	#2 Reduce, reuse and recycle	<ul style="list-style-type: none"> Proportion of second-hand products in all items sold by KIABI Tonnes of textiles and shoes collected
	Health - safety of customers	<ul style="list-style-type: none"> Regulatory non-compliance (REACH...) Damage to health / safety of customers (Medical problems, Disability, Injuries) 	N/A - issue not considered as material	<ul style="list-style-type: none"> Net Promoter Score
Social	Internal social climate	<ul style="list-style-type: none"> Deterioration of social dialogue and working conditions linked to the social policy Reputational risk for KIABI 	#6 Working conditions	<ul style="list-style-type: none"> Turnover Great Place To Work Trust index
	Health – safety of employees	Deterioration of health/safety of employees which may lead to: <ul style="list-style-type: none"> - musculoskeletal disorders linked to logistics and in-store activities generating repetitive work stoppages, partial disabilities (and eventually, a decrease in resources) - psychological disorders following assaults, in particular in-store - accidents at work - mental fragility of those impacted by organisational changes - sickness or anxiety in the event of an epidemic 	N/A - issue not considered as material	<ul style="list-style-type: none"> Frequency rate of accidents at work % of the workforce with an occupational disease Absenteeism rate
	Management of skills and employability of employees	<ul style="list-style-type: none"> Skill obsolescence through a lack of support from KIABI Inability to attract, retain and motivate the necessary talent required for the smooth functioning and proper development of the company's activities Loss of attractiveness amongst potential candidates 	#13 Skills management and attractiveness	<ul style="list-style-type: none"> Number of training hours % of employees trained in skills development
	Health - safety of workers + human rights	<ul style="list-style-type: none"> Lack of guarantees concerning the physical safety of workers within the workplace Failure to protect the workers' health Human rights violations (child labour, forced labour, discrimination, harassment, union freedom, non-compliance of ILO rules, etc.) Non-compliance with rules relating to payment and working time 	#6 Working conditions #6 Working conditions	<ul style="list-style-type: none"> % of factories audited A and B T1&2 - ITFAS textiles, accessories & shoes % new referenced factories rated A, B or C (tier 1) % of E-rated factories whose level has improved or whose contract has ended within 6 months (tier 1)
Governance	Ethics	<ul style="list-style-type: none"> Risk of corruption, especially in certain subsidiaries concerning relations with stakeholders due to our significant purchase volumes 	N/A - issue not considered as material	

Act for the environment

Definitions of terms listed

1. BIODIVERSITY (source I Care, Kiabi 2020 biodiversity report). Biodiversity, or biological diversity, refers to the variability amongst living organisms from all sources, including terrestrial, marine and other aquatic ecosystems, and the ecological habitats to which they belong. It includes diversity within species and between species, the diversity of ecosystems and the interactions between living organisms.

2. BIODIVERSITY ASSESSMENT, MAIN PRESSURES (source Millennium Ecosystem assessment, 2005):

Deterioration of habitats: destruction, fragmentation or disturbance of the natural environment that disrupts wildlife (fauna and flora)

Climate change: influences natural environments through the increase in sea level and the intensity of extreme events, increased rainfall, ocean acidification.

Pollution: toxic substances emitted and dispersed into the air, into water, spilled into the soil

3. CARBON FOOTPRINT: scope 1-2-3 covers: (source I Care and Consult, adapted from GHG Protocol)

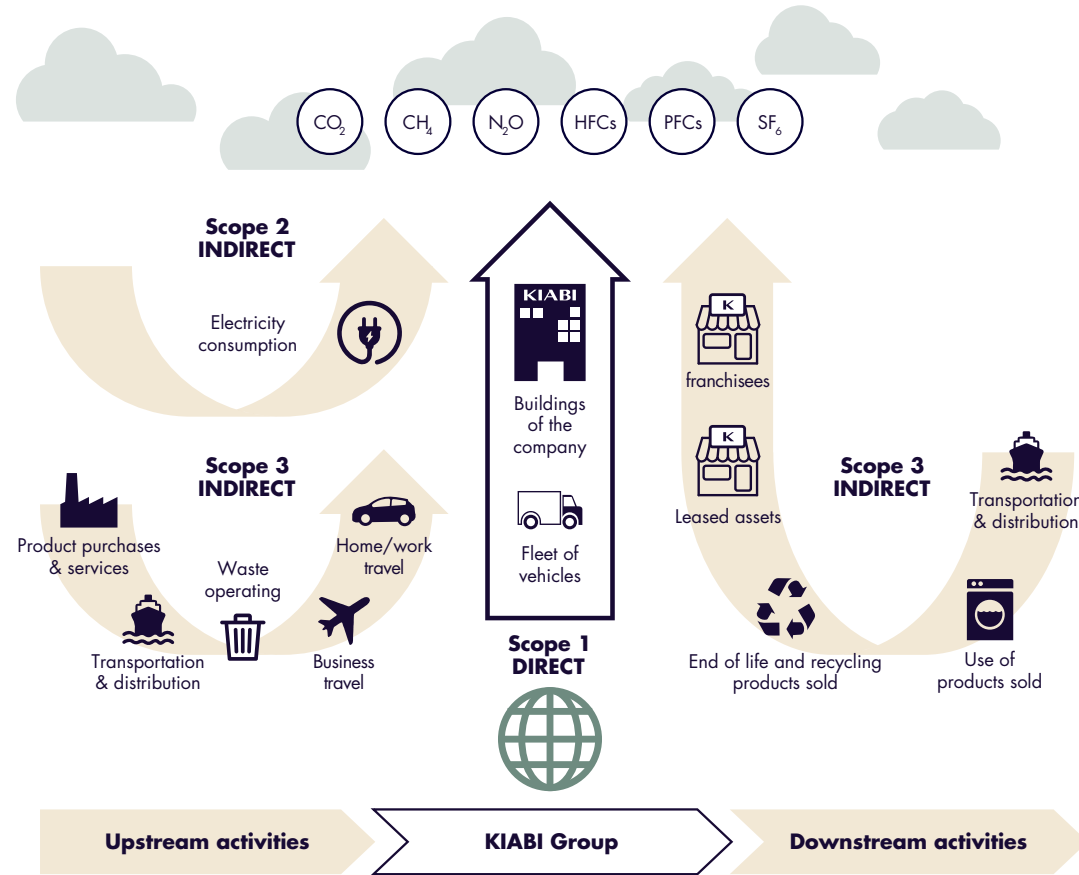
4. TEXTILE FIBRES

Fibre: raw material derived from agriculture (vegetable, animal), from the processing of petroleum products (synthetic) or from the chemical processing of wood cellulose (artificial).

Natural fibres

Naturally occurring plant fibres are listed below:

- **Cotton:** used at KIABI.



A carbon footprint is calculated as follows, based on all of the company's activities (see diagram above):

$$\text{Carbon diagnosis (tCO}_2\text{e)} = \text{Physical and monetary streams (tons, €, m}^2\text{, kWh ...)} \times \text{Emissions factors (tCO}_2\text{e / quantity)}$$

Organic cotton: grown with natural compost that replaces chemical fertilisers and pesticides, it is GMO-free and the water consumption for its cultivation is reduced by half compared to conventional cotton. Its fibre is bleached using oxygenated water and not chlorine. Dyeing is carried out without heavy metals or other carcinogenic substances. The cultivation of organic cotton allows producers to improve their working conditions, their health and that of those around them. Crop rotation in organic farming oxygenates the soil and preserves its richness.

BCI Cotton: Better Cotton Initiative is a non-profit organisation that promotes better cotton growing standards and practices in 24 countries. Cotton from farmers trained in the initiative now accounts for about 19% of global cotton production.

In-conversion cotton: cotton grown according to organic standards but which has not yet been certified; indeed, it takes soil at least 3 years to be purified of past chemical inputs before being certified as organic soil.

Recycled cotton: cotton from recycled cotton clothing or cotton textile scraps. After cutting, grinding and shredding the fabrics, they return to their original state of cotton fibres.

Conventional cotton: cotton produced by conventional farming methods with high water input and the use of pesticides and artificial fertilisers.

- **Linen:** used at KIABI.
- **Jute, hemp, latex and sisal:** not used at KIABI.

Animal fibres are not included here because they are not used at KIABI (except for wool, which accounts for 0.4% of our material usage).

Chemical fibres

Synthetic fibres obtained by chemical reactions of hydrocarbons or starch are the following:

- **Polyester:** used at KIABI.
- **Polyamide:** used at KIABI.
- **Acrylic:** used at KIABI.
- **Elastane (marketed as Spandex or Lycra):** used at KIABI.

Synthetic materials (polyester, polyamide, acrylic, elastane) can be recycled using textile products, used clothing, as well as plastic

bottles. They therefore provide a second life to end-of-life products, while reducing our dependence on petrol as a source of raw materials.

Artificial fibres

Obtained from vegetable pulp called cellulose. This organic material is chemically treated to obtain a so-called man-made fibre. These include the following:

- **Viscose:** used at KIABI.
- **Lyocell, Tencel™, Eco Vero™ :** used at KIABI. These come from sustainably managed forests, using non-toxic solvents in the transformation phase, which are 97% recycled.
- **Cupro :** not used at KIABI.

Information source: *Tricots et tissus* by Pierre Hirsch published by Olifant (1988) Better Cotton Initiative, Global standard GmbH.

5. MANUFACTURING PROCESSES

Spinning: the process of transforming a fibre into yarn by twisting, for natural fibres (vegetable, animal). For artificial or synthetic fibres, the process allows a continuous filament to be obtained directly, used alone or combined.

Weaving: making a fabric (also called cloth) by interweaving threads (warp in one direction, weft in the other) at right angles, using a loom.

Knitting: the construction of a knitted fabric by forming interlocking loops (stitches) on a continuous thread using a knitting machine.

Washing: a process that gives a finished (made) product an aged, faded appearance. Often used for denim trousers. Stone washing is usually carried out in a drum machine with water and limestone to give smoothness and visually irregular wear.

Dye: action of modifying the colour of a product through the absorption of a dye.

Manufacturing: all the operations involved in assembling a garment or accessory. The main stages are the cutting of the fabric and its assembly on a sewing machine.

Denim (de Nîmes): cotton or cotton blend fabric which is very

strong because of its weaving. It is traditionally two-coloured: blue warp and white weft.

REACH European Union regulation: REACH is a European Union regulation adopted to better protect human health and the environment from the risks associated with chemical substances, while promoting competitiveness within the EU chemical industry. It also promotes alternative methods for assessing hazardous substances to reduce the number of animal tests.

AFIRM: Founded in 2004 the **Apparel and Footwear International RSL Management (AFIRM)** group is a trade association in the apparel and footwear sector, which collaborates to promote the management chemical products in the global supply chain. AFIRM is facilitated by the Phylmar Group, an environmental health & safety and sustainability consulting company based in California. Since its founding, AFIRM's focus has been the continuous advancement of chemicals management including phasing out or limiting restricted substances to established limits in apparel, footwear, and accessories.

6. LIFE CYCLE ASSESSMENT (LCA) OF A PRODUCT

The life cycle assessment is a **standardised assessment method** (ISO 14040 et ISO 14044) which allows the environmental assessment of a product from the extraction of the raw materials necessary for its manufacture to its end of life (landfill, recycling, etc.), including its use, maintenance and transport phases.

7. CIRCULAR ECONOMY

“The circular economy involves producing goods and services in a sustainable manner, while limiting the consumption and waste of resources and the production of waste. It involves moving away from a throwaway society to a circular economy model”.

(French Ministry of Ecological Transition and Territorial Cohesion)

Circular economy model

Sustainable resource management
(extraction, rational exploitation)



8. LOGISTICS AND TRANSPORT

Logistics warehouses: our warehouses are located in Lauwin Planque in Northern France and in La Bisbal del Penedes (near Barcelona, Spain)

Transport platform: to consolidate the flows between our warehouses and the regional distribution areas, we work with Logistics/Transport platforms operated by partner carriers. These platforms are the starting point for distribution transport to each store and can carry out some logistics tasks.

Definition of indicators

1. CARBON INDICATOR

Carbon emissions for the baseline year, 2022 in this case, are

recalculated each year to take account of methodological changes. For 2022, we have therefore recalculated scope 1/2/3 carbon emissions based on the following methodological changes:

As regards product manufacturing:

- Change in product weighting methodology: here we have incorporated a weighting based on size (vs. average reference weight in N-1).
- Modification of certain product manufacturing emission factors to bring them into line with the emission factors used to calculate the product's environmental rating.
- Addition of a washing step for Denim products.
- Change to the ecowash methodology, which is now applied to the washing step added previously.

As regards the use of products by consumers:

- Compliance with the Product Environmental Footprint (PEF) conditions of use for washing, drying and ironing.
- Change in product weighting methodology: here we have incorporated a weighting based on size (vs. average reference weight in N-1).

As regards the end of a product's life:

- Change in product weighting methodology: here we have incorporated a weighting based on size (vs. average reference weight in N-1).

As regards downstream transport:

- Integration of emissions per parcel transported, transmitted directly by the pick-up point and home delivery carriers (vs. estimation of km in N-1).

As regards the travel of visitors and customers:

- Distance in km based on the median of our customer data (vs average in N-1).
- Number of shops visited and means of transport used based on a

survey of our customers.

- Journeys to and from the pick-up point have been moved to downstream transport.

% reduction in scope 1/2/3 carbon emissions in absolute terms compared with 2022

Definition: Change in the carbon emissions of the Bunsha International group (i.e. retail and real estate activities) for scope 1/2/3 in absolute value calculated in Teq CO2 compared with the baseline year (2022).
Calculation formula: (Scope 1/2/3 carbon emissions in absolute value in 2023) / (Scope 1/2/3 carbon emissions in absolute value of the 2022 baseline year recalculated) -1.

% change in scope 1/2/3 carbon emissions in terms of kg of products purchased compared with 2022

Definition: Change in carbon intensity per kg of product purchased compared with the 2022 baseline year.

Formula for calculating carbon intensity per kg of product purchased: Carbon emissions linked to the manufacture of products in year N / kilos of finished products purchased in N

Calculation formula: (Carbon emissions linked to the manufacture of products in year N / kilos of finished products purchased in N) / (Recalculated carbon emissions linked to the manufacture of products in year 2022 / kilos of finished products purchased in N) -1

% change in scope 1/2/3 carbon emissions in product intensity sold compared with 2018

Definition: Change in carbon intensity per product sold compared with the 2018 baseline year

Formula for calculating the carbon intensity of products sold: Carbon emissions in year N / total quantities sold in N

Calculation formula: (Carbon emissions in year N / total quantities sold in N) / (Carbon emissions in year 2018 / total quantities sold in 2018) -1

2. WATER INDICATORS

Water consumption at our own sites

Definition: water consumption at all our owned sites (branch shops, warehouses and offices).

3. ECODSIGN INDICATORS (PRODUCTS WITH REDUCED ENVIRONMENTAL IMPACT)

Scope for all indicators:

- Purchasing campaigns for the SUMMER N and WINTER N collections
- Quantities ordered
- Exclusions: faulty products identified during quality checks in the factory, which are not purchased by KIABI
- Top layer

Proportion of our textile purchases achieving eco-design tier 1

Definition: use of a minimum amount of materials with reduced environmental impact

1. Textile products:

The textile components of the product must contain a minimum amount of fibres with a reduced environmental impact:

- At least 50% organic cotton or cotton in conversion to organic or BCI cotton or USTCP cotton or recycled synthetic fibres or cellulose fibres with a reduced environmental impact (Eco Vero © Viscose, Tencel© Lyocell, Tencel © Modal).
- Or at least 20% recycled cotton or recycled wool or RWS-certified wool

2. Non-textile products:

The product must contain at least 20% of materials with a reduced environmental impact (usually recycled materials) out of the total weight of the product.

3. Shoes:

As regard slippers: the product must contain at least 20% of materials with a reduced environmental impact (usually recycled materials) out of the total weight of the product.

As regards other types of shoes: 50% of the sole must be made from recycled materials.

NB 1: An accessory made from recycled materials is not enough to categorise a product as having a reduced environmental impact.

NB 2: There is no disclosure on products containing BCI cotton or USTCP cotton because the traceability process is inadequate.

Calculation formula: total number of textile products using a main material with a reduced environmental impact (see definition above) ordered / total number of products ordered

Proportion of our textile purchases achieving eco-design tier 2

Definition: products that use industrial processes that consume less energy and water or have less impact on the environment.

The processes considered to have the least impact are the following:

- Eco-wash (washing that uses less water, chemicals or energy)
- Eco-dye (dyeing method that uses less water and energy)
- Undyed (no dyeing, so no bleaching or colouring)
- Durable fabric finish
- Tough cotton® (technology that extends the life of products)
- Low waste pattern (optimised design for maximum fabric usage and minimum wastage during cutting)
- Water-based adhesive

Calculation formula: total number of textile products with reduced environmental impact ordered/total number of products ordered

Proportion of our textile purchases achieving eco-design tier 1+2

Definition: Proportion of items with a material with a reduced environmental impact (level 1) and cumulatively a process with a reduced environmental impact (level 2)

Calculation formula: total number of textile products using a material with a reduced environmental impact and having undergone a

process with a reduced environmental impact ordered / total number of products ordered

Breakdown of materials (in tonnage of finished products)

Definition: breakdown of raw materials used as a% of tonnages of finished products purchased

Scope:

- All the materials of products purchased
- Offcuts, whether during material production or cutting, are not included

4. TRANSPORT INDICATORS

Breakdown of our inbound modes of transport

Definition: Share of our inbound transport methods for quantities purchased from distant sourcing and transported to our warehouses.

Breakdown of our outbound modes of transport

Proportion of our outbound modes of transport for quantities delivered from our warehouses to our shops, pick-up points and online outlets.

5. CIRCULARITY INDICATORS

Proportion of second-hand products in all items sold by KIABI

Definition: Proportion of quantities sold 2nd hand (corners, C2C platform, Kidkanai) out of total quantities sold by the Group.

Calculation formula: total of quantities sold 2nd hand (corners, C2C platform, Kidkanai) / total quantities sold by the group, whether through our branch shops, affiliates, franchises, shop-in-shop or online, to which are added to the quantities sold on the C2C platform and the quantities from the Kidkanai concept store.

Scope:

- 2nd hand corners in all countries.
- Dedicated website (C2C platform) including items sold by Rediv on the website.

→ Kidkanai including items sold in clearance sales (C2C).

Tonnes of textiles and shoes collected

Definition: Tonnes of textiles and footwear collected from our customers in all our countries via the following systems:

- In-store and car park collections (including collections managed by an external partner such as 'Le Relais').
- Collected by the innovation department via KIABI Bags, La Kollekt, la Kollekt Kids (via schools) and the Kollekt mag.

% of textiles collected in France vs marketed (sold) two years previously

Calculation formula: tonnes of textiles and shoes collected out of the tonnes marketed two years previously

We consider an average lifespan of our products to be 2 years, which is why we compare our products marketed two years previously with this year's collection.

Scope:

- Worldwide, including sales via our franchisees, affiliates, shop-in-shop and online channels.

Social commitment for all

The social data includes only persons with an employment contract in a KIABI Group entity.

It does not include data on temporary workers, self-employed workers, service providers or interns. However, work-study students (professional training contracts and apprenticeship contracts) are included in the scope.

The scope includes all Kiabers from the entities of the Bunsha International consolidated group. The scope is mentioned for each of the indicators below.

The basis for calculating the majority of the quantitative indicators is taken from our CEGEDIM (Smart RH) payroll software. This software

is present in France and Spain. For other countries, we use different software or have opted for payroll service providers.

Definitions of terms listed

AMFORI: the world's leading trade association for open and sustainable trade. Its members are able to share their social (via BSCI) and environmental (via BEPI) audit results.

A SOCIAL AUDIT is an assessment of the social compliance of factories, the result of which, in the form of an audit report including a score, provides information on the social performance of suppliers. It includes a factory visit (unannounced), document checks referring to supporting evidence on a sample basis, interviews with workers, etc. The themes of social audits are building safety, fair payment for hours worked, non-forced labour, etc.

Definitions of indicators

1. SOCIAL INDICATORS

Workforce at 31/12/N

This is the total number of Kiabers (fixed-term / permanent and work-study contracts) present on 31/12/N. Kiabers are classified according to their gender, age, SPC (Management = Executives / Employees = Employees + Supervisors), type of contract (fixed-term, permanent), and working hours (full-time/part-time).

Difference between a full/part-time contract: part-time is understood to mean that the Kiaber works less than the legal working time of the country concerned. For example, France uses a 35 hour basis, whereas Portugal uses 40 hours.

GPTW® Trust Index

The Great Place to Work® Trust Index™ is an anonymous survey of all

employees who have a contract with the company, based on 5 aspects (credibility, respect, fairness, pride and camaraderie) to determine what defines a quality employee experience.

The Trust Index™ forms the basis of the Great Place to Work® certification programme in association with the Culture Brief™.

Turnover

Calculation formula: (No. of permanent leavers in year N + No. of permanent recruits in year N) / 2 / workforce on 01/01/N

Scope: only permanent contracts

- By leavers, we mean: the number of people who left one of our French entities during the year. Leavers on 31/12 are not taken into account as departures in year N but in year N+1.
- By recruits, we mean: the number of people hired during the year on permanent contracts. Each contract counts as one unit whether it is full-time or part-time.
- Leavers/recruits do not include changes in contract type and intra-company transfers within the country.

Absenteeism rate

Definition: This represents the number of calendar days of absence in relation to the number of calendar days theoretically worked.

Calculation formula: Number of calendar days of absence / number of calendar days of the contract in N

- The number of theoretical calendar working days is the number of contractual working days if there had been no absence during the year. The number of calendar days is equivalent to 365. A theoretical number of working days would be 365 – holidays – public holidays.
- For managerial employees, the calculation is as follows: Number of calendar days of absence (number of days of absence due to maternity, work accident, etc.) / Number of calendar days (one person present all year = 365). All types of absences are taken into account.

Scope: Permanent contract

Please note:

- In Belgium, the number of calendar days is understood as the number of theoretical contractual days worked in the month, i.e. 20 days on

average, whereas for the other countries, the number of calendar days is 28.

- In Italy, the absenteeism rate is calculated based on hours and not days of absence; this country is not included in the consolidated global indicator.
- The consolidated indicator does not include Italy.

Frequency rate of accidents at work

Calculation formula: Number of accidents at work x 1,000,000 / Number of hours of paid work

Accidents at work with more than one day off work, leading to several days of leave. Rate expressed in terms of hours worked. Commuting accidents are not included in this calculation.

They are classified by type of activity: store, head office, warehouse, land. Scope: Fixed-term, permanent and work-study contracts.

Rate of occupational disease

Calculation formula: Number of occupational diseases declared in N / Number of employees on 31/12/N.

Scope: Fixed-term, permanent and work-study contracts.

2. DIVERSITY INDICATORS

% of employees with a disability

Calculation formula: Number of employees recognised as disabled in that year*100 / (total number of employees with fixed-term, permanent and work-study contracts on 31/12/2022)

The notion of workers with disabilities may vary between countries, depending on the legislation (especially in Asia).

Scope: Permanent, fixed-term (increased activity, replacement) and work-study contracts

→ OK all KIABI countries.

3. SKILLS MANAGEMENT INDICATORS

Number of training hours

Definition: The number of training hours carried out (based on participants) by KIABI employees in the year 2022. Only the employees who signed an attendance sheet are included. For E-learning training: monitoring carried out based on real connection time (not exceeding 150% of theoretical hours) + with mention of the training course being 'completed' (via an assessment at the end of the course)

Exclusion of hours carried out in the previous year for courses which ended in 2022.

- Internal or external training, leading to qualifications or not, with a distinction made between non-compulsory training regarded as skills development.
- 'Non-mandatory' training includes: all training, regardless of the physical, online or hybrid format, linked to the development of employee skills (i.e. all business and personal development/life skills) - excluding mandatory training. This includes academic training, tutoring and mentoring.

Scope: Fixed-term/permanent and work-study contracts, interns excluded
→ OK all KIABI countries

Proportion of KIABI employees trained in skills development:

Calculation formula: Number of trained Kiabers who have received at least one non-mandatory training course in year N / Number of people enrolled with an employment contract throughout 2022, regardless of the duration

Scope: Fixed-term, permanent and work-study contracts, interns excluded
→ OK all KIABI countries

4. PROFESSIONAL INTEGRATION INDICATORS

No. of people joining as part of professional integration

Definition: Number of people who have recently joined an Integration

through an Economic Activity programme and/or another professional integration programme. These pathways enable people who have been excluded from the labour market to (re)connect with the world of work and business, thanks to a competent third-party entity, in which KIABI is a partner in a process of sharing skills, expertise and interpersonal skills.

This indicator has been tracked cumulatively since 2020.

Number of people on a pathway to integration

Definition: People on a pathway to integration as a result of the Petits Magasins are:

→ the long-term employed:

- Permanent contracts, including permanent contracts with the adapted employment sector and employment agencies
- Fixed-term or interim contracts of more than 6 months
- Business start-up

→ Transitional jobs:

- Fixed-term contract of less than 6 months at the end of the integration contract
- Temporary assignment of less than 6 months
- Assisted contracts

→ Positive outcomes (pre-qualifying or qualifying training, recruitment in another SIAE)

No. of beneficiary families

Definition: Number of vouchers generated by the Petits Magasins in the year N.

5. SOCIAL COMPLIANCE INDICATORS

Excluded **from the scope of social and environmental compliance audits over 2023:**

- Tier 1 factories who have not been declared to us by our tier 1 suppliers.

- All our tier 3 suppliers.

In general, suppliers are listed according to the location of the purchasing office that manages them. Factories, on the other hand, are listed according to the country of production. This is why some countries such as Cambodia, Vietnam, Burma and Ethiopia have factories but no supplier listed.

The audits result in a grade between A and B based on the assessment of 10 different areas. Grades are calculated as follows:

A ≥ 95% AND no zero tolerance violation AND no critical point AND A>=6, C=0, D=0, E=0

B = ≥ 90% AND no zero tolerance violation AND no critical point AND C=<3,D=<2,E=0

C = ≥ 85% AND no zero tolerance violation AND no critical point AND D=<3,E=0

D = = 80% AND no zero tolerance violation AND critical zero tolerance violation point <=2 and E=<3

E <80% AND/OR a zero tolerance violation AND/OR a critical "zero tolerance violation" point >2 AND/OR E>3

% of factories audited and assessed at the highest level of compliance with international and regulatory social standards (A+B)

Definition: Proportion of tier 1 and 2 plants with an A or B grade in their last social audit during the year.

Scope:

→ Tier 1 and 2 factories

→ Overseas import suppliers only (importers are not included in this calculation)

% of new referenced factories rated A and B or C.

Definition: proportion of new referenced plants (newly referenced = created in the system) audited at social level A, B or C

Scope: Tier 1 only.

% of E-rated factories whose level has improved or whose contract has ended within 6 months

Definition: Proportion of factories with an E rating in a social audit between July 2022 and June 2023 and with a better rating or whose contract has ended within 6 months.

Scope: For existing tier 1 factories only.

Governance and value creation

Definitions of indicators

% of employee shareholders

Definition: Proportion of employee shareholders out of all of the KIABI Group employees

Calculation formula: Number of employees on permanent contracts who were shareholders at 31/12 of reporting year N / Number of employees on permanent contracts with more than 4 months' service at 31/12 of reporting year N

% female senior executives

Definition: Proportion of women in leadership positions out of all the leaders

Scope: for BUs outside the 'support' department management committees, i.e. the management committees listed below:

- Group Management Committee (reporting to Patrick S)
- Management Committee of the retail France BU
- Management Committee of the retail Belgium BU
- Management Committee of the retail Spain BU
- Management Committee of the retail Italy BU
- Management Committee of the retail Portugal BU
- Management Committee of the Etixia real estate division

Gender equality index:

This index was set up by the French government in 2018. It aims to

enable companies to measure their progress in terms of professional equality. The maximum number of points is 100. Below 75 points, companies must take corrective action or face financial penalties. 5 indicators are used to calculate the score:

- The elimination of the pay gap between men and women of comparable age and position counts for 40 points.
 - Equal opportunities between men and women for obtaining a pay rise count for 20 points.
 - Equal opportunities between men and women for obtaining a promotion count for 15 points.
 - Pay rises applied after returning from maternity leave where pay rises were given in their absence, count as 15 points.
 - At least 4 women in the 10 highest earners counts as 10 points.
- Data for France only

% volume of sustainable business

Definition: Sustainable business volume (environmental dimension), which measures our ability to focus the KIABI model (retail business) on our 2 key drivers for environmental transformation:

- The volume of business generated by first-hand ecodesigned products (ecodesign tier 1+2+3).
- The volume of business generated by circular activities and services (currently second hand and rental).

Scope: sales achieved during the reporting year, all collections combined, whether via our branch shops, affiliates, franchises, online platforms (KIABI website, seconde main by KIABI or the market place).

→ business volume at ecodesign tier 1+2+3 corresponds to standards meeting criteria 1 (less impactful materials), 2 (less impactful processes) and 3 (tier 1 green manufacturing).

→ business volume of second-hand sales from our corners, the platform for sales between private individuals and our Kidkanai concept store.

→ business volume from our rental trial.

Cyber security compliance rate 'displayed' (Bitsight index)

Definition: Calculated by the rating agency Bitsight: 18 checkpoints divided into 4 categories on all our IT services displayed on the Internet.

Each checkpoint is awarded a number of points, giving a final mark out of 820. The indicator is then presented in% to make it easier to understand.

Scope: all the IT applications and services displayed on the Internet for the entire KIABI Group and its countries.

It measures our compliance with the following 18 cyber security checkpoints:

- Compromised Systems (5 checkpoints: Botnet Infections / Spam Propagation / Malware Servers / Unsolicited Communications / Potentially Exploited)
- Diligence (11 checkpoints: SPF / DKIM / SSL Certificates / SSL Configurations / Open Ports / Web Application Headers / Patching Cadence / Insecure Systems / Server Software / DNSSEC / Web Application Security)
- User Behaviour (1 checkpoint: File Sharing)
- Public Disclosures (1 checkpoint: Security Incidents)

Net Promoter Score (NPS)

See explanation of business model terms.



KIABI

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BUNSHA INTERNATIONAL

Rapport de l'organisme tiers indépendant (tierce partie) sur la vérification de la déclaration consolidée de performance extra-financière figurant dans le rapport de gestion

Exercice clos le 31 décembre 2023

BUNSHA INTERNATIONAL

Société Anonyme au capital de 416 454 146 €
Siège social : 100 rue du Calvaire, 59519 HEM
RCS Lille Métropole 513 907 261

Rapport de l'organisme tiers indépendant sur la vérification de la déclaration consolidée de performance extra-financière figurant dans le rapport de gestion

Exercice clos le 31 décembre 2023

Aux actionnaires,

En notre qualité d'organisme tiers indépendant, membre du réseau Mazars, commissaire aux comptes de la société BUNSHA INTERNATIONAL, accrédité par le COFRAC Inspection sous le numéro 3-1895 (accréditation dont la liste des sites et la portée sont disponibles sur www.cofrac.fr), nous avons mené des travaux visant à formuler un avis motivé exprimant une conclusion d'assurance modérée sur les informations historiques (constatées ou extrapolées) de la déclaration consolidée de performance extra-financière (ci-après respectivement les « Informations » et la « Déclaration »), préparées selon les procédures de l'Entité (ci-après le « Référentiel »), pour l'exercice clos le 31 décembre 2023, présentées dans le rapport de gestion de BUNSHA INTERNATIONAL (ci-après la « Société » ou l'« Entité »), en application des dispositions des articles L. 225 102-1, R. 225-105 et R. 225-105-1 du code de commerce.

Conclusion

Sur la base des procédures que nous avons mises en œuvre, telles que décrites dans la partie « Nature et étendue des travaux », et des éléments que nous avons collectés, nous n'avons pas relevé d'anomalie significative de nature à remettre en cause le fait que la déclaration de performance extra-financière est conforme aux dispositions réglementaires applicables et que les Informations, prises dans leur ensemble, sont présentées, de manière sincère, conformément au Référentiel.

Préparation de la déclaration de performance extra-financière

L'absence de cadre de référence généralement accepté et communément utilisé ou de pratiques établies sur lesquels s'appuyer pour évaluer et mesurer les Informations permet d'utiliser des techniques de mesure différentes, mais acceptables, pouvant affecter la comparabilité entre les entités et dans le temps.

Par conséquent, les Informations doivent être lues et comprises en se référant au Référentiel dont les éléments significatifs sont présentés dans la Déclaration.

Limites inhérentes à la préparation des Informations

Les Informations peuvent être sujettes à une incertitude inhérente à l'état des connaissances scientifiques ou économiques et à la qualité des données externes utilisées. Certaines informations sont sensibles aux choix méthodologiques, hypothèses et/ou estimations retenues pour leur établissement et présentées dans la Déclaration.

Responsabilité de la Société

Il appartient au Conseil d'administration :

- de sélectionner ou d'établir des critères appropriés pour la préparation des Informations ;
- d'établir une Déclaration conforme aux dispositions légales et réglementaires, incluant une présentation du modèle d'affaires, une description des principaux risques extra financiers, une présentation des politiques appliquées au regard de ces risques ainsi que les résultats de ces politiques, incluant des indicateurs clés de performance ;
- ainsi que de mettre en place le contrôle interne qu'il estime nécessaire à l'établissement des Informations ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

La Déclaration a été établie en appliquant le Référentiel de l'Entité tel que mentionné ci-avant.

Responsabilité de l'Organisme Tiers Indépendant

Il nous appartient, sur la base de nos travaux, de formuler un avis motivé exprimant une conclusion d'assurance modérée sur :

- la conformité de la Déclaration aux dispositions prévues à l'article R. 225-105 du code de commerce ;
- la sincérité des informations historiques (constatées ou extrapolées) fournies en application du 3° du I et du II de l'article R. 225 105 du code de commerce, à savoir les résultats des politiques, incluant des indicateurs clés de performance, et les actions, relatifs aux principaux risques.

Nous avons mené des travaux visant à formuler un avis motivé exprimant une conclusion d'assurance modérée sur les informations historiques, constatées ou extrapolées.

Comme il nous appartient de formuler une conclusion indépendante sur les Informations telles que préparées par la direction, nous ne sommes pas autorisés à être impliqués dans la préparation desdites Informations, car cela pourrait compromettre notre indépendance.

Il ne nous appartient pas de nous prononcer sur :

- le respect par l'Entité des autres dispositions légales et réglementaires applicables (notamment en matière de plan de vigilance et de lutte contre la corruption et l'évasion fiscale) ;
- la conformité des produits et services aux réglementations applicables.

Dispositions réglementaires et doctrine professionnelle applicable

Nos travaux décrits ci-après ont été effectués conformément aux dispositions des articles A. 225 1 et suivants du code de commerce, à la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette intervention tenant lieu de programme de vérification et à la norme internationale ISAE 3000 (révisée).

Le présent rapport est établi conformément au programme de vérification RSE_SQ_Programme de vérification_DPEF.

Indépendance et contrôle qualité

Notre indépendance est définie par les dispositions prévues à l'article L. 822-11 du code de commerce et le code de déontologie de la profession de commissaire aux comptes. Par ailleurs, nous avons mis en place un système de contrôle qualité qui comprend des politiques et des procédures documentées visant à assurer le respect des textes légaux et réglementaires applicables, des règles déontologiques et de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette intervention.

Moyens et ressources

Nos travaux ont mobilisé les compétences de 6 personnes et se sont déroulés entre novembre 2023 et mars 2024 sur une durée totale d'intervention de 6 semaines.

Nous avons mené une dizaine d'entretiens avec les personnes responsables de la préparation de la Déclaration, représentant notamment les directions juridiques, contrôle de gestion RSE, ressources humaines, collection, éthique et conformité et achats Groupe.

Nature et étendue des travaux

Nous avons planifié et effectué nos travaux en prenant en compte le risque d'anomalies significatives sur les Informations.

Nous estimons que les procédures que nous avons menées en exerçant notre jugement professionnel nous permettent de formuler une conclusion d'assurance modérée :

- nous avons pris connaissance de l'ensemble des entités incluses dans le périmètre de consolidation et de l'exposé des principaux risques ;

- nous avons apprécié le caractère approprié du Référentiel au regard de sa pertinence, son exhaustivité, sa fiabilité, sa neutralité et son caractère compréhensible, en prenant en considération, le cas échéant, les bonnes pratiques du secteur ;
- nous avons vérifié que la Déclaration couvre chaque catégorie d'information prévue au III de l'article L. 225 102 1 en matière sociale et environnemental ;
- nous avons vérifié que la Déclaration présente les informations prévues au II de l'article R. 225-105 lorsqu'elles sont pertinentes au regard des principaux risques et comprend, le cas échéant, une explication des raisons justifiant l'absence des informations requises par le 2^{ème} alinéa du III de l'article L. 225-102-1 ;
- nous avons vérifié que la Déclaration présente le modèle d'affaires et une description des principaux risques liés à l'activité de l'ensemble des entités incluses dans le périmètre de consolidation, y compris, lorsque cela s'avère pertinent et proportionné, les risques créés par ses relations d'affaires, ses produits ou ses services ainsi que les politiques, les actions et les résultats, incluant des indicateurs clés de performance afférents aux principaux risques ;
- nous avons consulté les sources documentaires et mené des entretiens pour :
 - o apprécier le processus de sélection et de validation des principaux risques ainsi que la cohérence des résultats, incluant les indicateurs clés de performance retenus, au regard des principaux risques et politiques présentés, et ;
 - o corroborer les informations qualitatives (actions et résultats) que nous avons considérées les plus importantes présentées en Annexe 1. Nos travaux ont été réalisés au niveau de l'Entité consolidante ;
- nous avons vérifié que la Déclaration couvre le périmètre consolidé, à savoir l'ensemble des entités incluses dans le périmètre de consolidation conformément à l'article L. 233 avec les limites précisées dans la Déclaration ;
- nous avons pris connaissance des procédures de contrôle interne et de gestion des risques mises en place par l'Entité et avons apprécié le processus de collecte visant à l'exhaustivité et à la sincérité des Informations ;
- pour les indicateurs clés de performance et les autres résultats quantitatifs que nous avons considérés les plus importants présentés en Annexe 1 , nous avons mis en œuvre :
 - o des procédures analytiques consistant à vérifier la correcte consolidation des données collectées ainsi que la cohérence de leurs évolutions ;
 - o des tests de détail sur la base de sondages ou d'autres moyens de sélection, consistant à vérifier la correcte application des définitions et procédures et à rapprocher les données des pièces justificatives. Ces travaux ont été menés auprès d'une sélection d'entités contributrices¹ et couvrent entre 60 et 100 % des données consolidées sélectionnées pour ces tests ;

¹ *Kiabi France, Kiabi Espagne et Kiabi Portugal*

- nous avons apprécié la cohérence d'ensemble de la Déclaration par rapport à notre connaissance de l'ensemble des entités incluses dans le périmètre de consolidation.

Les procédures mises en œuvre dans le cadre d'une mission d'assurance modérée sont moins étendues que celles requises pour une mission d'assurance raisonnable effectuée selon la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes ; une assurance de niveau supérieur aurait nécessité des travaux de vérification plus étendus.

L'organisme tiers indépendant,
Mazars SAS

Paris La Défense, le 12/04/2024

Eddy Bertelli
Associé

Edwige Rey
Associée RSE &
Développement Durable

Annexe 1 : Informations revues en tests de détail

Informations qualitatives (actions et résultats) relatives aux principaux risques

Revue au niveau de l'entité consolidante :

- Offre de produits accessibles
- Réduction réutilisation et recyclage
- Changement climatique
- Accès aux matières premières
- Traçabilité
- Conditions de travail
- Transformation du modèle
- Consommation d'eau
- Pollution eau
- Erosion biodiversité
- Sécurité informatique
- Durabilité des produits
- Gestion des compétences et attractivité
- Pollution des sols
- Utilisation des sols
- Egalité et inclusion

Indicateurs quantitatifs incluant les indicateurs clés de performance

Indicateur	Périmètre d'audit
Effectifs par pays, hommes/femmes, temps plein/temps partiel, CDI/CDD	France, Espagne, Portugal, Groupe
Turnover	France, Espagne
Taux de fréquence des accidents du travail	Espagne
% de collaborateur en maladie professionnelle	Espagne
Taux d'absentéisme	Espagne
Nombre de licenciements différenciés par sexe, âge et catégories professionnelles	Espagne
Ratio du salaire de base et de la rémunération des femmes par rapport aux hommes	Espagne
Ratio de rémunération totale annuelle	Espagne
% de salariés couverts par une convention collective	Espagne
% de satisfaction des Kiabers	Espagne

Indicateur	Périmètre d'audit
% de Kiabers formés pour développement des compétences	France, Portugal, Groupe
% de nouvelles usines de rang 1 référencées évaluées par un audit social A, B ou C	Groupe
% d'usines existantes évaluée E socialement dont le niveau s'est amélioré ou la relation arrêtée dans les 6 mois (rang 1)	Groupe
%des usines de rang 1 et 2 Textile, accessoires & chaussures auditées sur le volet social évaluées A et B	Groupe
Egalité Femme / Homme aux postes de leaders	Groupe
% de Kiabers actionnaires	Groupe
Nb de personnes entrées en insertion professionnelle par l'activité des Petits Magasins (cumulées)	Groupe
Taux de satisfaction clients (NPS) Kiabi	Groupe
Exposed Security Rating (ou Niveau de Cybersécurité Exposé)	Groupe
% de collaborateurs à capacité différente	France, Espagne, Groupe
Répartition de la part des collaborateurs à capacité différente par BU	France, Groupe
% offre éco-conçue hors article exclus web, chaussures et accessoires (en pièces)	Groupe
% d'évolution des émissions carbone en valeur absolue vs 2022 tous scopes 1,2 et 3	Groupe
Consommation d'eau en m3 (uniquement sur scope 1 et 2 pour 2023)	Groupe
% de quantités vendues en 2nd main omnicanale	Groupe
% de produits achetés niveau feuille 1 & niveau feuille 2	Groupe
% d'évolution des émissions carbone scope 1/2/3 en intensité produit vs 2018	Groupe
Volume de textiles et chaussures usagés collectés auprès de nos clients (ou citoyens)	Groupe
Répartition des achats de fibres en poids	Groupe
% volume d'affaires durable	Groupe