



CHARGEURS

High Emotion Technology®

20

23

Enriched
with data
up to July
2024

CSR
Report

Sustainability and Reinvention



Contents

General information

Foreword **3**

Group overview **4-5**

Global challenges and opportunities **6-7**

Our shared value creation model **8-9**

A long-term CSR approach **10-11**

An approach backed by robust governance **12**

A double materiality assessment **13**

Our results **14**

Our sustainable transformation in three actions **15**

30

Social responsibility

Ensuring our employees' safety **30-31**

Fostering an inclusive corporate culture and providing equal opportunities **32**

Developing individual talents **33**

Working to help local communities **34**

CSRD correlation table **36**

16

Business ethics

Ensuring ethical conduct and respect for human rights **16**

Supporting and assisting our partners **17-19**



20

Environment

Mitigating our impact on the climate **20-23**

Promoting a circular economy **24-25**

Respecting the world we live in **26-29**



This report presents Chargeurs Group's CSR approach, its fundamental principles, its organization, and its core areas of action, as well as the key projects we've completed, those that are currently in progress, and those that are in our pipeline.

The data presented for 2023 has been verified and audited by an independent third-party entity in preparation for the publication of the Group's annual report (URD, available on chargeurs.com). This is not yet the case for the data for 2024.



Foreword

Toward a sustainable future

Did you say CSRD?*

This year, no company can ignore this acronym any longer, whether these new European regulations have a direct – and immediate – effect on their international business activities, or whether they're still watching from a distance to see how the changes the CSRD brings will unfold.

Chargeurs seized the opportunity to adapt, and didn't wait for regulations to take effect in order to start improving our environmental protections and mitigating our impact on climate change.

Our business model and global presence place us right in the thick of all the issues that are currently impacting the whole of the economic and social sphere. Our commitment to providing sustainable, responsible solutions is what our history as a Group is built on, and we've always demonstrated this by taking a patient, progressive, tenacious and continuous approach.

This year, we're proud to share with you a highly detailed 2023 carbon assessment based on solid foundations and anchored in the

manufacturing processes for our products and services. The lessons we can learn from this are manifold, and are already providing us with concrete guidance for shaping our future path toward net-zero carbon emissions. Moreover, our approach is perfectly aligned with CSRD requirements. In this report, and in anticipation of the 2025 edition, we outline the priorities revealed by our double materiality assessment. Armed with information collected from our stakeholders, we are now focusing on the issues highlighted by the assessment, which will inform our 2030 strategy.

Responsibility is, above all, being aware of your impact and the resources at your disposal, and keeping the commitments you've made. In 2023 and the first half of 2024, we have taken decisive steps forward, putting us in a strong position to contribute to the Group's commitments to work toward a sustainable future in 2025.

Joëlle Fabre-Hoffmeister

Group Secretary General
Deputy CEO, *Organization, Talent and Sustainable Transformation*

*CSRD = Corporate Sustainability Reporting Directive

CSR or ESG?

Today, the term Corporate Social Responsibility (CSR) is increasingly used to refer to the integration of social and environmental actions into corporate strategies and companies' commitments to improving corporate practices.

The term Environmental, Social and Governance (ESG) is more commonly used by investors and analysts when assessing a company's performance in terms of sustainability.

Leaders in niche markets

5 businesses with unique expertise

The Group's activities are structured into two strategic divisions – **Technologies**, the high technology industrial assets, leaders in their markets with a firmly established global footprint, and **Luxury**, bringing together assets with strong growth potential.

◆ Technologies Division

CHARGEURS ADVANCED MATERIALS

World leader for industrial process films

Operating under the trading name Novacel, Chargeurs Advanced Materials offers the most extensive range of high-tech industrial process films on the market, covering the most demanding materials for the construction, industrial equipment, and household appliance sectors.

CHARGEURS PCC FASHION TECHNOLOGIES

Global leader in interlinings for the clothing industry

World leader in interlinings for the entire clothing industry, Chargeurs PCC Fashion Technologies (Chargeurs PCC) provides major ready-to-wear womenswear and menswear global brands with the highly technical products essential to the creation of their collections.

◆ Luxury Division

CHARGEURS MUSEUM STUDIO

A global player in cultural engineering and production in a fast-expanding market

World leader in cultural engineering and production, Chargeurs Museum Studio offers a platform of services and expertise that is unique worldwide. Aimed at museums, foundations and brands, it has the ambition of creating unforgettable visitor experiences.

CHARGEURS LUXURY FIBERS

World-leading trader in natural fibers, produced and transformed using eco-friendly practices

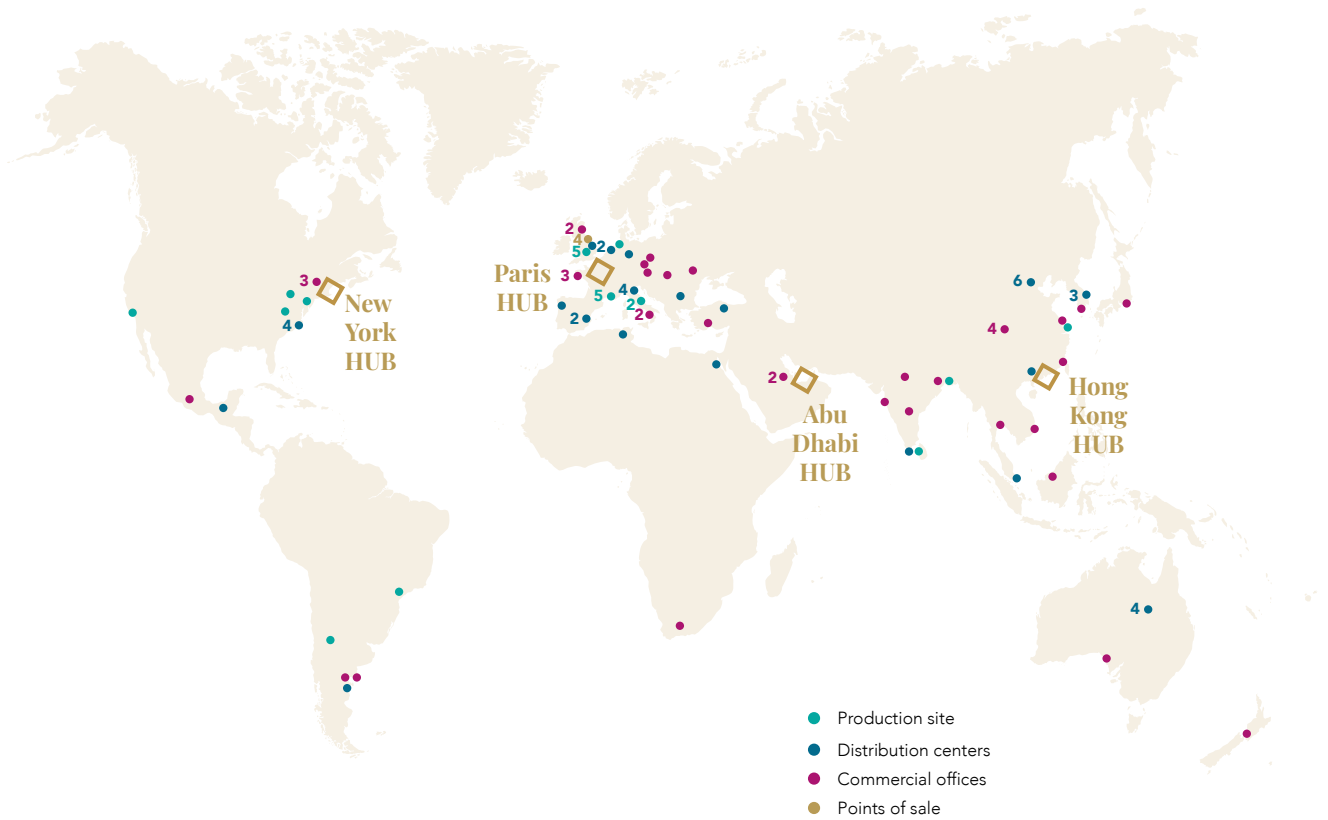
This division supplies the finest wool fibers in the world. Leveraging its proprietary traceability technologies, it is a leading traceable and sustainable wool supplier for fashion brands.

CHARGEURS PERSONAL GOODS

A range of unique luxury brands

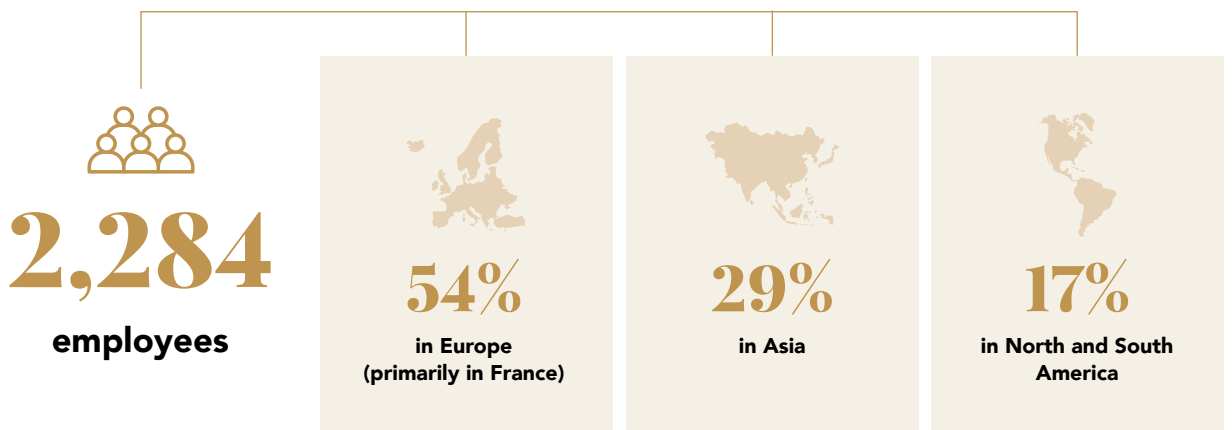
A business line that brings together and showcases exceptional expertise in high-end personal accessories segments.





A truly global group

An industrial and commercial presence on 5 continents





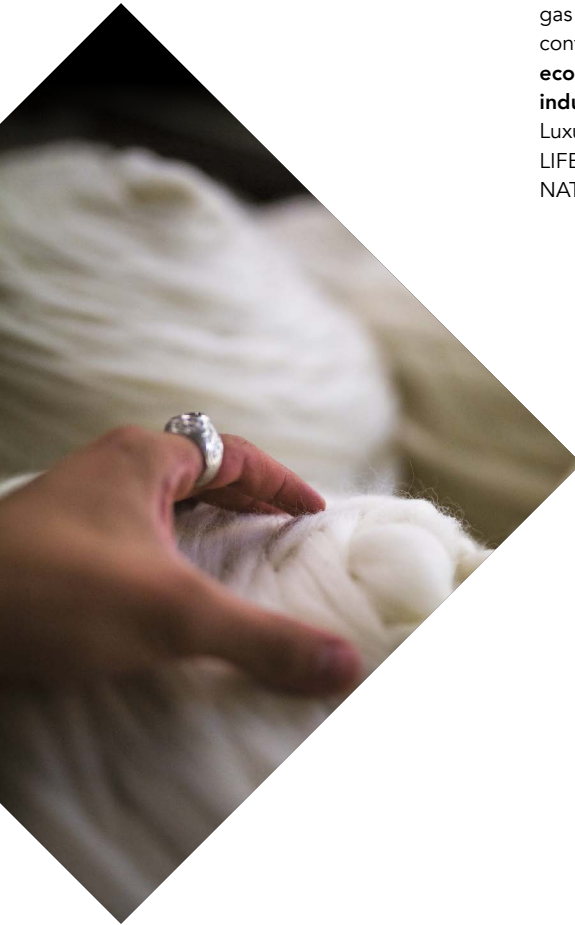
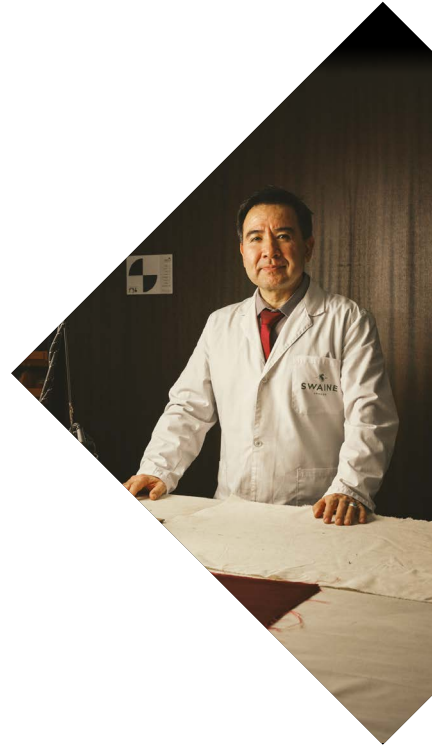
Global challenges & opportunities

For over 150 years, Chargeurs has implemented its strategy in a constantly changing world. Today, new trends are emerging in an uncertain landscape, creating new customer expectations.

In response to these challenges and changes, the Group continues to adapt. Its international presence enables it to navigate this complex environment, considering these transformations as growth opportunities.

Optimizing the business model to address sustainable development challenges

Faced with the necessity to **use natural resources in a more responsible way and to limit the carbon footprint** of their products and services, companies are rethinking each stage of their production and supply chains. These challenges represent key opportunities to be more innovative and to gain greater agility, enabling firms to optimize their business models **in favor of more sustainable value creation**. For example, in 2023, Chargeurs Advanced Materials invested in the latest technology for machines at its Italian production site, reducing the consumption of electricity by ~25% and gas by ~8% that year. The division also continued **the deployment of its eco-responsible "Oxygen" range of industrial process films**. Chargeurs Luxury Fibers joined LVMH Group's LIFE 360 Business Partners plan with its NATIVA™ traceable wool label.



Addressing the growing demand for premiumization from customers

Industrial customers are seeking committed supplier-partners who have **in-depth knowledge of their needs and who can offer a combination of quality and fair pricing and work alongside them**. Our customers' expectations represent opportunities for Chargeurs, allowing us to demonstrate our ability to anticipate market trends through our R&D resources and the continuous improvement of industrial processes. In 2023, Chargeurs PCC Fashion Technologies (Chargeurs PCC) contributed its expertise in highly technical printing machines to design, with JCDecaux's teams, the PVC-free advertising canvas "Pearlflex." This product illustrates the strength of collaborative innovation.

Our shared value creation model

The resources we commit

HUMAN CAPITAL

Nearly **2,300** employees spread across 5 continents

34.7% of our employees are women

100% of our employees have signed our Code of Conduct

FINANCIAL CAPITAL

A solid **financial structure**

A long-term controlling shareholder, **Colombus Holding SAS**, which strengthened its stake in 2024

INDUSTRIAL CAPITAL

19 production sites

15 R&D laboratories

NATURAL CAPITAL

182 GWh of energy consumed

411 thousand m³ of water used

RELATIONAL CAPITAL

A “customer-centric” culture

Over 300 suppliers have signed our Sustainable Purchasing Charter

Our activities

◆ TECHNOLOGIES DIVISION

Chargeurs Advanced Materials

Chargeurs PCC Fashion Technologies

◆ LUXURY DIVISION

Chargeurs Museum Studio

Chargeurs Luxury Fibers

Chargeurs Personal Goods

Our strengths

- The capacity for innovation of all our business lines
- The industrial excellence of our production base
- A drive to create global leaders
- A resilient business model backed by a strong CSR policy

The value we create

FOR OUR EMPLOYEES



94.8% permanent contracts

21 hrs of training per person on average

26% of our top 50 executives are women

FOR OUR INVESTORS



€653.2m in revenue

€26.6m in recurring operating profit

FOR THE ENVIRONMENT*



4.7% less greenhouse gas emissions across Scopes 1 and 2

6.3% less water used

11% less waste produced

*Data from 2023, based on the reference year 2022

FOR OUR CUSTOMERS



35% of revenue in 2023 generated by our sustainable products

96% satisfaction rate among CAM customers

100% traceable wool thanks to the **NATIVA™** label (CLF)

CMS, setting a global standard in providing access to culture (museums, publishing)

FOR OUR PARTNERS



69% of Chargeurs PCC suppliers undergo CSR audits (SMETA) or engage in dialogue regarding CSR issues

45% of CAM's purchases are from suppliers that have been assessed by EcoVadis

Numerous initiatives in collaboration with **local communities**

Our strategic vision

To grow...

- Consolidate the global leadership of our activities in the Technologies Division
- Continue the expansion of our new champion Chargeurs Museum Studio
- Cement the global leadership of Chargeurs Luxury Fibers in trading eco-designed natural fibers
- Fuel the desirability of our brands in the new Chargeurs Personal Goods division
- Innovate to develop more responsible products and services

...more resiliently

- Build a more sustainable world in partnership with our stakeholders
- Protect the climate and conserve natural resources
- Provide support and assistance to our employees

A foundation of shared values

PASSION ♦ BOLDNESS ♦ RELIABILITY ♦ COMMITMENT

A long-term CSR approach

The Compagnie Maritime des Chargeurs Réunis, founded in 1872, was one of the first major international groups. Its activities were initially in air and sea transport, before the Group diversified into the textile and media industries in the 1980s.

This diversification of activities was accompanied by the Group's growing commitment to CSR, which has accelerated since 2017.

2018

Creation of an annual management training course with ESMT Berlin designed specifically for Chargeurs talent.

2015

Colombus Holding SAS, founded by Michaël Fribourg, becomes the Group's new main shareholder. Major capital expenditure and targeted acquisitions transform the businesses in the Technologies Division, strengthening their technological lead.

2017

June 29, 2017

Signature of the UN Global Compact

Creation of the NATIVA™ program for Merino wool. Chargeurs Luxury Fibers becomes a pioneer in the trading of eco-designed and traceable natural fibers.

November 13, 2017

First "Global Safety Day," a day dedicated to the safety of Group employees worldwide. This annual event is now a key part of the continuous development of a shared safety culture.





2022

Acquisition of Skira, publisher of high-end art books, and Cambridge Satchel, the high-end leather goods brand.

2021

Acquisitions of Swaine, a champion of British luxury, and Altesse Studio, a luxury haircare brand.

The Group conducts its first carbon assessment.

Chargeurs PCC launches its "Sustainable 360" range, the world's first sustainable interlining range.



2019

The "CSR Summit" brings together managers from across the Group to discuss CSR. An initial CSR strategy is formalized and a compass with 4 major KPIs is adopted. These indicators remain relevant markers for the Group's CSR performance today.

2020

Creation of Chargeurs Museum Studio via the acquisition of D&P Inc, a US leader in integrated solutions for museums, which joins the outstanding teams already acquired by the Group. Museum Studio becomes the global benchmark for museums, foundations and brands wishing to create unforgettable experiences for their visitors.

2023

Launch of two innovations produced at Chargeurs PCC: "Zero-Water Dyeing," a range of innovative interlinings, and "Pearlflex," a new PVC-free advertising canvas fabric made from recycled PET yarn.

NATIVA™ goes a step further and launches an ambitious and innovative program, NATIVA™ Regen, as part of a move toward regenerative practices. Protocols are currently under development for other natural fibers: cotton and cashmere.

Public tender offer for the Chargeurs Group: the offering coincides with a new chapter in the Group's history. 67.6% share of Chargeurs capital owned by Groupe Familial Fribourg and its partners.

Chargeurs sets its course for 2030

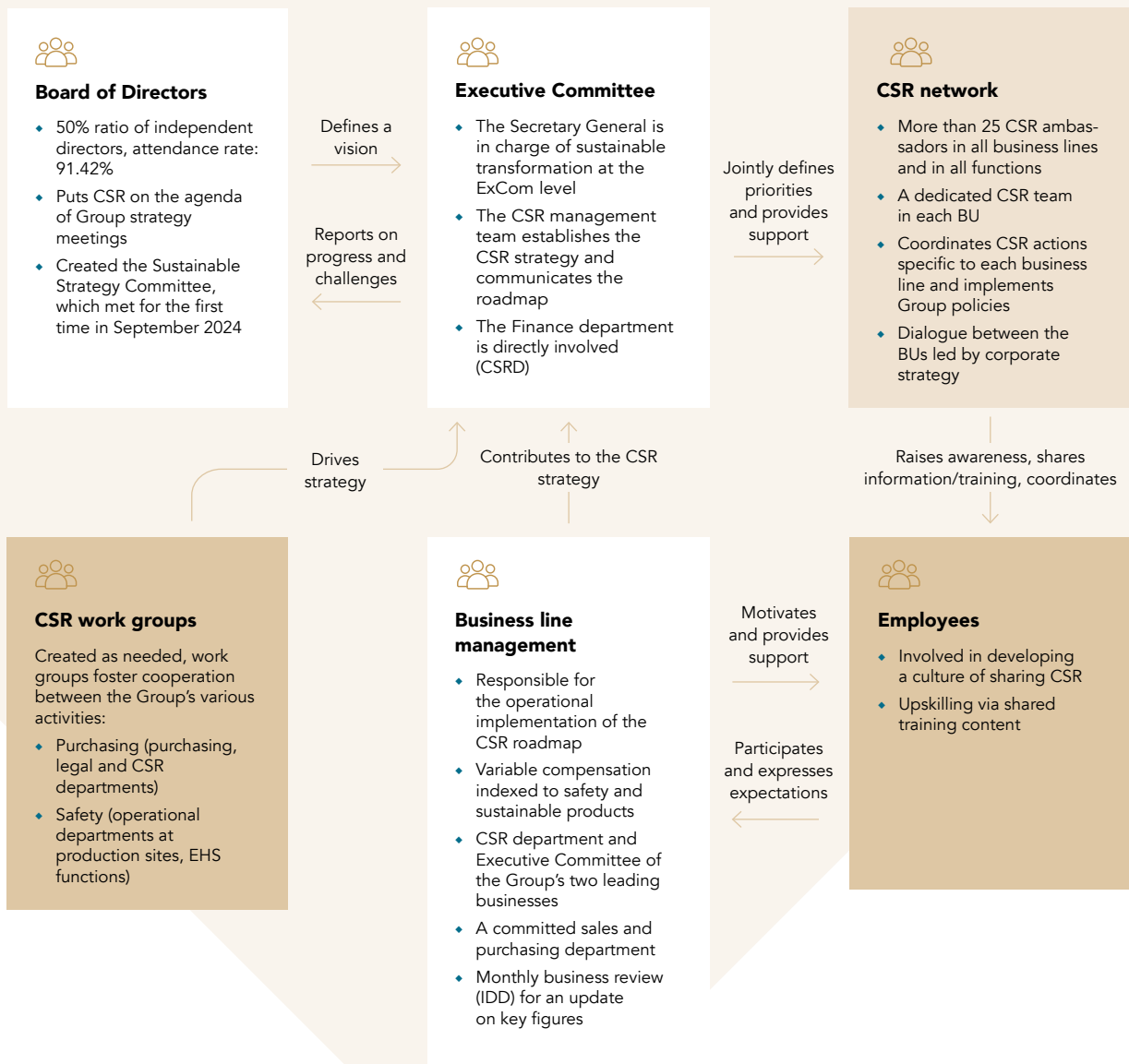
At the end of 2024

Preparation of a new 2025–2030 strategic plan for the entire Group, with a comprehensive CSR roadmap that includes a climate transition plan.

An approach backed by robust governance

The Group's CSR approach is based on solid and committed governance at all levels of the organization. This is reflected by the way in which we integrate CSR issues into our strategic thinking. Our governance ensures that each and every one of our decisions and actions is aligned with the Group's values and sustainability objectives.

Interactions between various internal stakeholders



A double materiality assessment

The new European directive on transparency with regards to sustainability (CSRD)¹ calls on companies to adopt a more global view of the impacts (positive and negative), the risks and the opportunities linked to their activities. For Chargeurs, this directive is an opportunity that validates our business model.

In order to carry out the double materiality analysis that is a key element of the directive, Chargeurs adopted a **structured approach² and engaged in dialogue with its stakeholders.**

The steps in this process included:

- A wide-ranging sectoral documentary analysis
- Dialogue with around 50 key stakeholders (customers, suppliers, teams) familiar with the company and the relevant sustainability issues
- Final interviews with CSR Management and General Management

Note: All of our sustainability challenges that are material, whether from a financial or impact point of view, will be presented in our next annual report.

Here are the issues that have been identified as being "doubly material" for Chargeurs:³

1. Working conditions for our employees
2. Climate change mitigation and response, energy challenges
3. Air and water pollution, hazardous substances, microplastics
4. Circular economy (raw materials, waste)
5. Corporate culture and commitment
6. Information and consumer safety

These results are invaluable to our strategy, and provide a solid foundation on which to further develop our CSR objectives.

What is double materiality?

Double materiality refers to:

Financial materiality

Factors that impact the financial situation, results or value of a company

Impact materiality

A company's environmental and social impact

Combining these two perspectives allows a company to identify what is essential to its success and for it to operate sustainably.



1. CSRD: Corporate Sustainability Reporting Directive

2. This work is part of a broader effort to bring our Group into compliance with the CSRD, particularly with regard to the large amount of data collected in accordance with the European Financial Reporting Advisory Group (EFRAG) standards, in addition to the voluntary Global Reporting Initiative (GRI) standards that already govern Chargeurs' reporting.

3. These challenges will be examined by our sustainability auditor ahead of CSRD publications in 2025.

Our 2023 results as of H1 2024

Safety

Occupational accident frequency rate

7.21 **5.28**
in 2023 as of H1 2024

Given the disappointing performance in 2023, our production facilities have continued their efforts to achieve a clear improvement in the first half of 2024. Aware of the key role played by management, the Group Safety Policy has also been redistributed to all entities.

Sustainable products

Revenue generated by sustainable products

35%
in 2023

In 2023, 35% of Chargeurs' revenue was achieved by sustainable products, meaning those whose social and environmental impact is reduced, according to data supplied by our R&D teams and/or approved by labels and certifications, such as the Global Recycled Standard (GRS).

CO₂

CO₂ emissions related to energy consumption in equivalent metric tons per million sq. meters of production (Mm²)

-5.3%
in 2023

CO₂ /Mm² emissions were down in 2023, due in large part to major energy efficiency initiatives implemented at key Group production sites. The company is continuing its actions to protect the climate and reduce purchasing-related emissions in 2024.

Water

Water consumption in m³

-6.3% **-2%**
in 2023 as of H1 2024
compared with H1 2023

Overall water consumption continues to fall at our production sites, with the aid of R&D projects such as the solution-dyeing technique. Our teams can also quickly act to repair any leaks, thanks to our increasingly detailed knowledge of the water distribution network.

Our CSR performance metrics comply with Global Reporting Initiative (GRI) standards.

A continuous improvement approach certified by independent third-party entities

Standards	Number of sites	% of total employees
ISO 14001	4	30.6
ISO 45001	2	19.1
ISO 9001	6	38.7
ISO 50001	1	6.8
OEKO TEX standard 100	5	22.1

◆ Business ethics

1

Building a more sustainable world in partnership with our stakeholders

- ◆ Ensuring ethical conduct and respect for human rights
- ◆ Supporting and assisting our partners in their responsible purchasing initiatives

◆ Environment

2

Protecting the climate and conserving resources

- ◆ Mitigating our impact on the climate
- ◆ Promoting a circular economy
- ◆ Respecting the world we live in (biodiversity, water, environment)

Our sustainable transformation in three actions

◆ Social Responsibility

3

Providing support and assistance to our employees

- ◆ Ensuring our employees' safety
- ◆ Fostering an inclusive corporate culture and providing equal opportunities
- ◆ Developing individual talents
- ◆ Working to help local communities



1

◆ Business ethics

Building a more sustainable world
in partnership with our stakeholders

Ensuring ethical conduct and respect for human rights

Our Code of Conduct formally enshrines all the values, principles and rules that unite the Chargeurs Group's employees around an ambitious project.

This code defines the principles of conduct aimed **to engage and protect all our stakeholders**, from our employees to our customers, our suppliers, our partners and our shareholders. It ensures that fundamental human rights are respected, including a healthy working environment and decent working conditions for all stakeholders within our value chain. It also acts as an effective tool for our sustainable model.

Widely distributed within the Group, it is intended to be communicated to our external stakeholders in order to share with them the same high standards of ethics and compliance. Easily understood by all parties, it serves as a guide in the discussions we have with our suppliers and other commercial partners.



100%

**of our employees have
been trained in our
Code of Conduct.**

The Code embodies the Group's values through the rules and principles it sets out. We bring these values to life when we apply the Code to our business activities.



Supporting and assisting our partners

Adopting a sustainable purchasing approach is an essential step toward reconciling performance and sustainability.

In 2023, our sustainable purchasing approach allowed us to strengthen our commitment to CSR, while optimizing our operational efficiency and minimizing risks. Our strategic approach not only aims to reduce our environmental footprint and support fair business practices, but also to **improve the quality and reliability of our supply chain.**

By positioning ourselves as a responsible and innovative Group, we are preparing to meet the challenges of an increasingly demanding environment.

Actively promoting ethical and standardized practices within our supply chain

Today, our sustainable purchasing strategy is supported by a range of tools:

- ◆ Our Sustainable Purchasing Charter
- ◆ Supplier audits via the Sedex and EcoVadis platforms
- ◆ Increased dialogue with our suppliers
- ◆ The work of our Purchasing departments and the processes we've put in place
- ◆ Our cross-business work group





A more ambitious Sustainable Purchasing Charter

Our Sustainable Purchasing Charter was introduced in 2017. It outlines our fundamental expectations of our suppliers. The principles within it represent the minimum social and environmental standards we expect our suppliers to meet when manufacturing our products and providing our services. For Chargeurs, **cooperating with our suppliers on these human rights issues is approached as a long-term process.**

By the end of 2023, our Charter had been signed by almost 400 suppliers (2.5 times more than in 2022).

Given the strategic nature of the supply chain for an international group such as Chargeurs, in the second half of 2023, we established a **cross-functional work group specifically focused on sustainable purchasing.** The work group's first task was to update our Charter to prepare for its distribution in 2024.

The new version of the Charter, published in early September 2024, is based on a broad benchmark developed in conjunction with our various business units, including, of course, the Purchasing departments.

The new Charter's content and "philosophy"

The new Charter covers social, environmental and business ethics issues, and will be made available on the Group's website. Together with the Code of Conduct, this Charter lays out the values, principles, rules and practices that govern the relationships between Chargeurs Group entities and their suppliers and subcontractors (including, but not limited to, service providers).

When applicable laws and regulations and this Charter address the same subjects with different standards, the more stringent standards apply. The Chargeurs Group is committed to supporting its suppliers to help them meet these standards if they have not already done so.



Next steps

To coincide with the launch of our new Charter, we are planning a number of initiatives, including:

- ◆ **2 training courses starting autumn 2024:**
 - » one for Purchasing teams to help them implement the Charter and ensure supplier compliance
 - » the other for all employees, to help familiarize them with this new Charter with regards to our value chain
- ◆ **A more structured mapping of our suppliers**
- ◆ **The definition of more rigorous CSR criteria with regard to purchasing, in line with the new Charter**



Assessments that help us achieve our goals

Each year, our production sites are subject to an annual SMETA (Sedex Members Ethical Trade Audit) auditing procedure. SMETA is a recognized social and ethical audit methodology that demonstrates the operational implementation of our commitments in these areas.

The SMETA method ensures a quality auditing process, covering all aspects of responsible business practices, including the four main CSR pillars.



Working conditions



Health and safety



Environment



Business ethics

Over the past three years, Chargeurs PCC's production facilities have been audited as a priority, along with around 30 of its strategic suppliers. The textiles sector is particularly exposed to the issues addressed in the audits. In 2023, 64% of the value of Chargeurs PCC's purchases were covered by SMETA-audited suppliers. **The entity intends to make further progress and has set itself the ambitious target of covering 80% of the value of its purchases in 2024.**

In addition, to ensure that improvements continue to be made at all stages of the division's supply chain, Chargeurs PCC carries out regular monitoring once the audits are completed to support suppliers in implementing corrective measures. This sound practice helps to establish solid, lasting and trusting relationships with our suppliers.

ecovadis

Chargeurs Advanced Materials (CAM) has a limited number of suppliers, which enables the division to **cooperate extensively** with them on CSR issues. A large majority (75%) of these suppliers signed the previous Sustainable Purchasing Charter.

In the first half of 2024, CAM decided to use the EcoVadis platform to assess the CSR performance of its suppliers, as this platform is more suited to the chemical sector (compared with Sedex, which is more suited to the textile sector).

CAM also organized **meetings specifically to discuss the carbon emission reduction policies of its key suppliers.**



2

◆ Environment

Protecting the climate
and conserving resources

Mitigating our impact on the climate

Climate is one of the priorities of Chargeurs' CSR strategy and environmental performance.

For the past several years, the Technologies Division (CAM and Chargeurs PCC) and Chargeurs Luxury Fibers (CLF) have been factoring climate strategy into their strategic thinking and operational decisions, particularly in relation to their operations in Europe.

Since 2023, we have been expanding this approach to the activities of Chargeurs Museum Studio (CMS) and Chargeurs Personal Goods (CPG), two more recently developed divisions within Luxury Goods, as well as to the Asian and American branches of the Technologies Division.

In 2023, several significant results were achieved:

- ◆ The appointment by the Board of Directors of a Climate Change Lead director to oversee this issue at the Board level, as this challenge is of vital importance to a global group such as Chargeurs
- ◆ Ongoing improvement to reporting: emissions from our own sites (Scopes 1 and 2) are automatically calculated in our ESG management software on the basis of our energy consumption
- ◆ The introduction of a detailed, automatic calculation tool for Scope 3 indirect emissions, based in particular on data available in Enterprise Resource Planning (ERP) systems
- ◆ The establishment of an approach to initiate dialogue and actions with our suppliers and partners
- ◆ A decrease in our emissions linked to the energy consumption of our sites (compared with 2022)
- ◆ The expansion of our collections with solutions that are increasingly environmentally friendly and unique in their markets, together with their first commercial successes.

In 2024, the Group is actively working on a climate transition plan in line with the Paris Agreement and in accordance with the Corporate Sustainability Reporting Directive (CSRD) requirements. This transition plan will spell out our greenhouse gas emission reduction targets for 2030 and 2050, and will be published in our next annual report in Q1 2025.



Chargeurs Group's carbon assessment

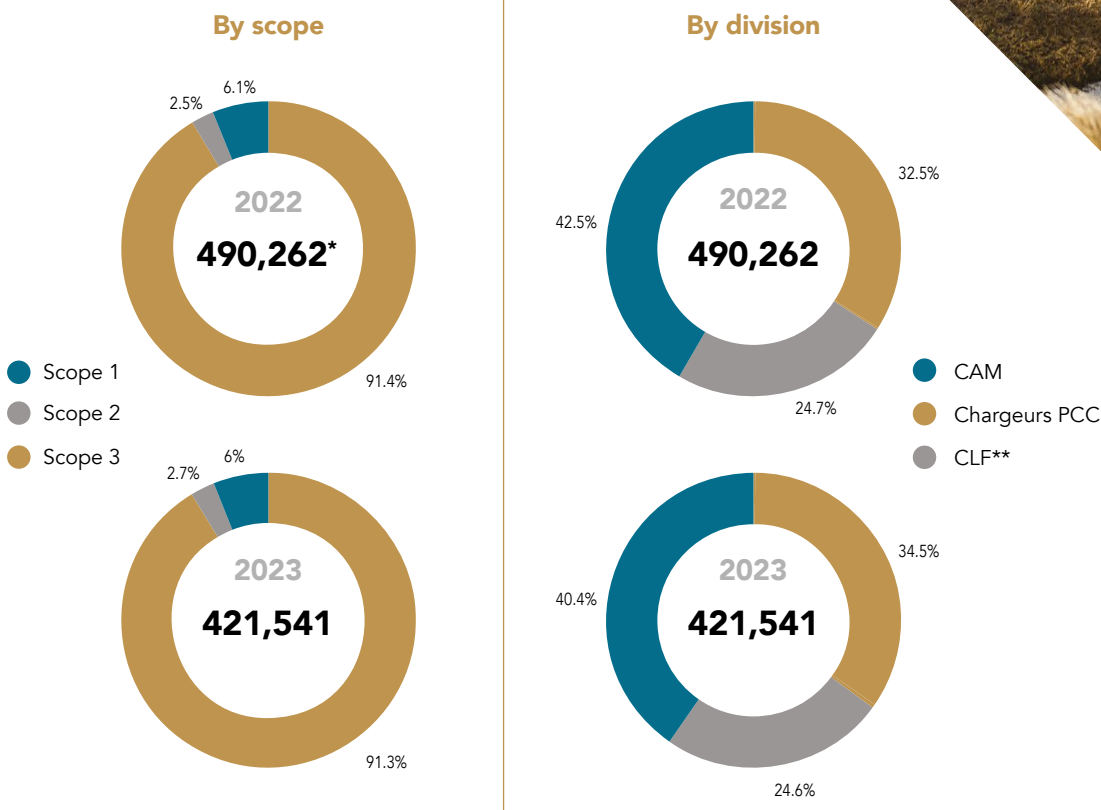
Scope 3 emissions account for 91% of the Group's footprint, which explains our determination over the past few years to refine our understanding of the emissions linked to this scope, particularly input purchasing, in order to achieve reductions upstream in our value chain. In 2023, Scope 3 emissions dropped compared to 2022 (emissions for an equivalent scope) due to market contractions.

Emissions related to energy consumption (Scopes 1 and 2) account for roughly 10% of the footprint (consistent with the 12% recorded for the carbon footprint in fiscal 2019). Transportation accounted for under 5% of the assessed footprint.



Chargeurs Group's carbon footprint

(in tCO₂eq) calculated in July 2024



* The volume of Scope 3 emissions in 2022 (published in the last annual report) has been revised.

** The CMS, HQ and CPG divisions account for less than 1% of the Group's carbon footprint and are not included in this chart. We plan to include the Scope 3 emissions of these entities by mid-2025.

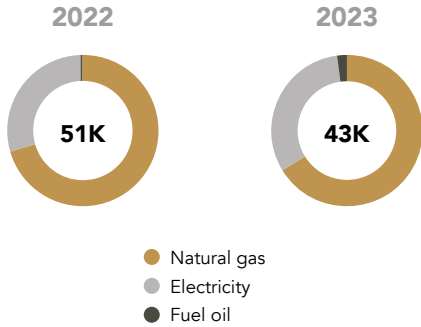
Scope 1 and 2 emissions in 2023

Natural gas remains the purchased form of energy that contributes the most to our Scope 1 and 2 emissions, accounting for more than 66% of our energy emissions. This is less than in 2022, as electricity consumption varies based on volumes produced.

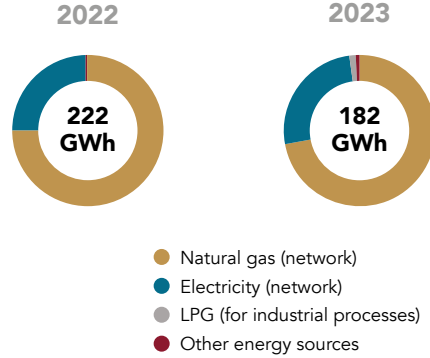
In 2023, Italy and France accounted for 72% of the Group’s energy consumption. North and South America accounted for more than 20% of emissions. The Technologies Division accounted for 99% of the Group’s energy emissions.

All our teams continue to pay close attention to their energy consumption, and in 2023 they introduced a **number of energy efficiency measures at our plants, distribution centers and offices**. The most energy-intensive lighting systems were replaced by LED solutions, and campaigns to take accurate measurements were carried out, resulting in a decline in consumption during periods of inactivity.

Group GHG* emissions from energy
(in tCO₂eq)



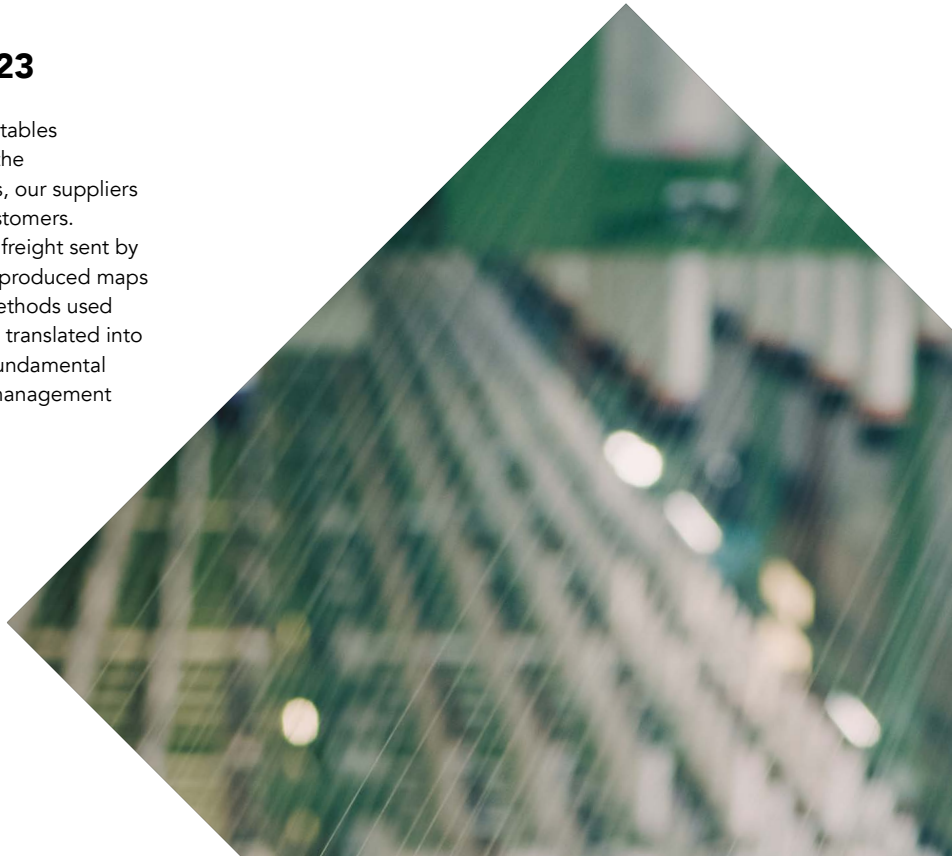
Group energy mix by source of energy



*greenhouse gas

Scope 3 emissions in 2023

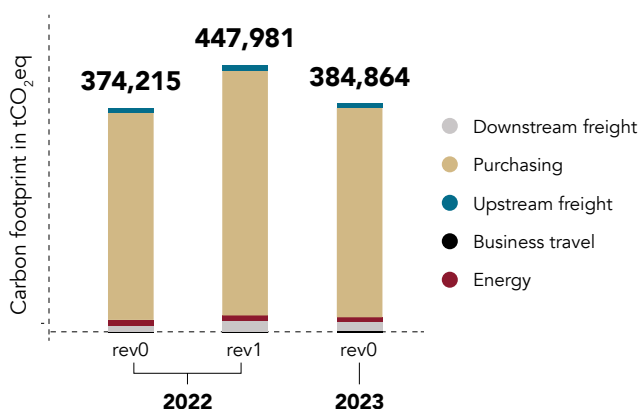
In 2023, our teams created fundamental tables compiling the data needed to calculate the environmental performance of our inputs, our suppliers and the products that we offer to our customers. We also analyzed our logistics routes for freight sent by our suppliers and to our customers, and produced maps based on that analysis. In parallel, the methods used to calculate this carbon assessment were translated into computerized code and applied to the fundamental tables and the data extracted from the management tools in the subsidiaries.



Scope 3 – Chargeurs Group

Chargeurs Group’s Scope 3 carbon footprint, calculated in February (rev0 for 2022) and then in July 2024 (rev1 for 2022, rev0 for 2023)

The reduction in Scope 3 emissions was mainly due to a contraction in volumes.



Scope 3 – Input purchasing

Breakdown of purchasing-related emissions (Scope 3) in 2023 in tCO₂eq

This chart shows that in order to reduce carbon emissions, the Group must address three major sources of input-related emissions as a priority:

- ◆ Synthetic materials such as polyethylene (CAM) and polyester (Chargeurs PCC)
- ◆ Natural materials such as wool (CLF)
- ◆ The external manufacturing processes used by our suppliers



Scope 3 – Raw materials for CAM and Chargeurs PCC

Purchasing-related emissions (Scope 3) for CAM in 2023



- Film pellets
- Film extrusion and additives
- Chemical coatings
- Packaging
- Secondary purchasing

Purchasing-related emissions (Scope 3) for Chargeurs PCC in 2023



- Textile fibers
- Manufacture of base textiles
- Coating process
- Powder coatings

Promoting a circular economy

In response to growing customer demand for more sustainable products, our operational teams backed by leading-edge R&D have taken action.

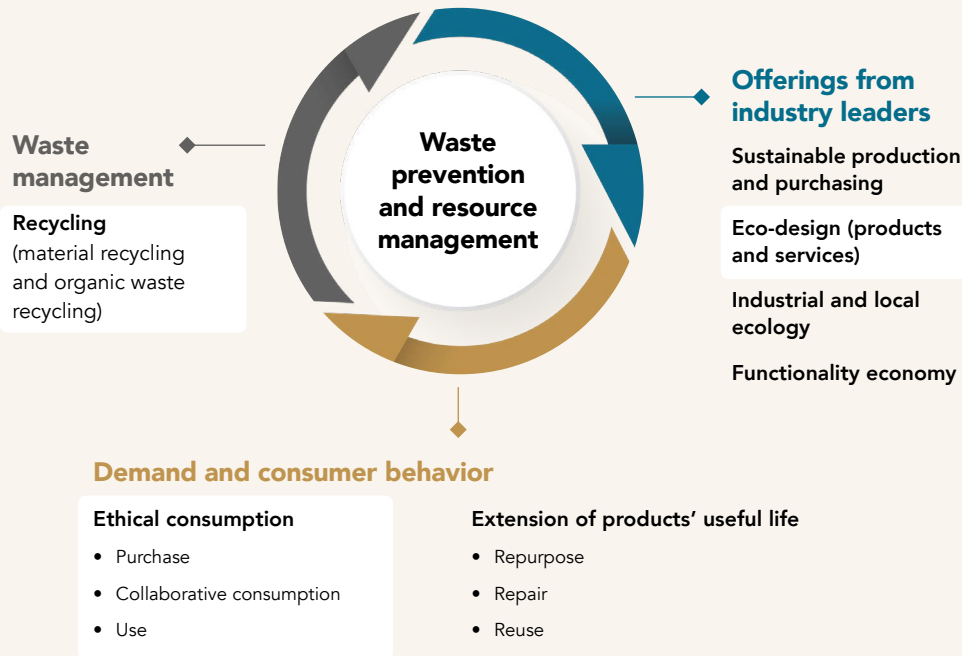
In 2023, Chargeurs again achieved a growing share (35%) of its revenue with its sustainable and innovative product ranges. These products and services are considered to be sustainable because their environmental and social impact is reduced, according to data supplied by our R&D teams and/or approved by labels and certifications, such as the Global Recycled Standard (GRS).

We are acting on three primary means for promoting a circular economy:

- ◆ **Eco-design**
- ◆ **A responsible supply chain**
- ◆ **Reducing and recycling our waste**



What is a circular economy? 3 cornerstones, 7 areas



Source: ADEME (Agence de l'Environnement et de la Maîtrise de l'Énergie) is a French public agency dedicated to promoting and supporting the environmental and energy transition.

Eco-design

The goal of using eco-design principles when developing products and services is to reduce their impact on the environment at every stage of their life cycle, while preserving their "quality in use" and complying with all the constraints associated with our businesses (technical and economic constraints, safety standards, etc.).

Chargeurs' R&D and innovation labs are working on this as part of our continual improvement process, primarily through Life Cycle Analyses (LCA). Senfa, Chargeurs PCC's Alsace-based subsidiary, developed an in-house LCA tool in 2010.

In 2023, we can point to several key examples of progress in this area:

- **Chargeurs Advanced Materials** remains a leader in the incorporation of post-consumer recycled plastic, working to minimize the amount of material used and to facilitate the recycling of its industrial process solutions.
- **Chargeurs PCC Fashion Technologies** continued to demonstrate its leadership in the sustainable transformation of the textile industry with its "Zero Water" collection.
- **Chargeurs Museum Studio** has enjoyed remarkable growth, thanks to its teams and their work combining artistic and technological innovations in order to complete complex projects. Its customers often incorporate strict CSR criteria, such as accessibility for vulnerable groups, preventive maintenance, energy efficiency, etc., as early as the design phase.

Sustainable purchasing

At Chargeurs, our understanding of the entire life cycle goes beyond our products and services, to encompass our entire value chain. That's why we work hand-in-hand with our suppliers and service providers to continuously improve our knowledge of our inputs and their manufacturing conditions. **The traceability of the products and services we buy** is part of the trust we build every day with our customers and partners.

In 2023, buoyed by the success of its NATIVA™ label and committed to meeting the growing demand from professionals in the fashion industry for eco-designed natural fibers, Chargeurs Luxury Fibers launched a **program to expand the NATIVA™ label to include cotton and cashmere fibers** by working with farmers and growers in Greece and Mongolia. This new offering will enable the division to confirm its status as the global-leading trader of natural and sustainable fibers. NATIVA™ Cotton was launched in February 2024 and NATIVA™ Cashmere in June 2024.

Waste reduction and recycling

Our overall production of waste declined by 11% between 2022 and 2023. This reduction was due to decreased production at major sites, as well as to the various initiatives that have been implemented.

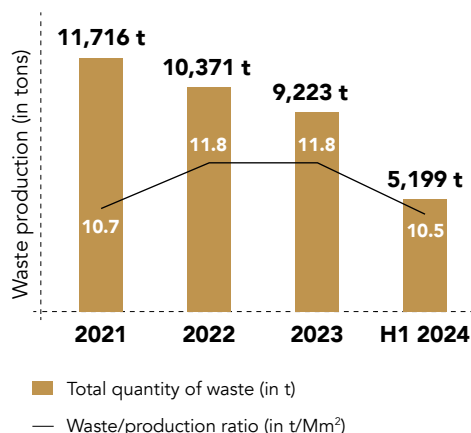
At the CAM site located in New Jersey in the US, efforts made in relation to production activities resulted in 28% waste reduction. In Italy, the introduction of new processes increased the proportion of solvents recycled.

% of recycled waste

56%

in H1 2024 (55% in 2023)

Waste generation at our production sites (in t and t/Mm²)



Respecting the world we live in (biodiversity, water, environment)

► Preventing biodiversity loss

In the first half of 2024, we turned to LaCEN, a non-profit organization, in order to gain a better understanding of how vulnerable Chargeurs sites are to threats to biodiversity.

Assessing the ecological vulnerability of our sites

LaCEN calls on environmental experts and data analysts, using a method consisting of examining the geographical distance between sites and natural zones that are legally protected due to their biodiversity.

Based on this analysis, three levels of ecological vulnerability were established for our 19 production sites worldwide, based on the following initial results:

- ◆ **Very vulnerable:** the site is located in a protected natural zone (**0 sites**)
- ◆ **Somewhat vulnerable:** the site is located within 5 km of a protected natural zone (**15 sites**)
- ◆ **Not vulnerable:** the site is located more than 5 km from a protected natural zone (**4 sites**)

The list of protected zones used for this study is public information made available by the International Union for Conservation of Nature (IUCN). These are zones that have been designated and recognized by local, regional or international regulations and include national parks, nature reserves, bird sanctuaries, etc.

The results of the study

This study, carried out by LaCEN, provides us with valuable information on the level of ecological vulnerability of our sites, **and will allow us to establish relevant policies, goals and initiatives.**

What is the IUCN?

The International Union for Conservation of Nature (IUCN) was founded on October 5, 1948, in Fontainebleau, France. As the world's leading environmental network, the IUCN has unified governments and civil society around a common goal: protecting nature. The IUCN's aim is to encourage international cooperation and to provide scientific knowledge and tools to guide nature conservation.

Our partner farms, suppliers of NATIVA™ wool

We then expanded this study to include the NATIVA™ partner farms that supply our Merino wool. Of the 40 farms analyzed by LaCEN, a quarter are likely to be located either in or within 5 km of a nature zone protected under local regulations. This result validates NATIVA™'s decision to place biodiversity at the center of its business model and justifies its NATIVA™ Regen initiative.

What is biodiversity?

Biodiversity refers to the variety and variability of living things (plants, animals, microorganisms), including differences within species, between species and within ecosystems. This diversity of life forms is essential to human well-being, but is threatened by factors such as habitat destruction, pollution and climate change.

NATIVA™ continues to strengthen its commitment to protecting biodiversity with NATIVA™ Regen

Driven by its commitment to the environment, NATIVA™ has developed a regenerative agriculture program aimed at improving sustainable farming practices and animal welfare. By adopting traditional practices such as planned grazing, NATIVA™ Regen improves water quality, increases CO₂ capture and benefits biodiversity and soil health.

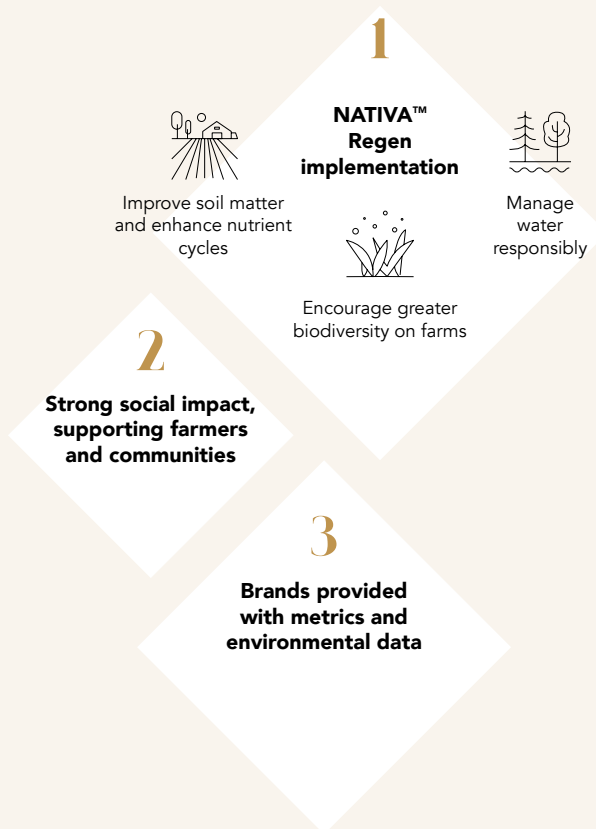
In collaboration with Quantis and INIA (Uruguay's National Institute for Agricultural Research), carbon emissions, water and biodiversity levels were analyzed on pilot farms in Australia, Uruguay and Argentina.

The data collected is being used to track carbon footprints and share information with our customers.

In 2022, the program was extended to the United States and Argentina, and grew from 13 to 40 farms.

Key partnerships with Gucci and PANGAIA bolster these initiatives, while also supporting local communities.

NATIVA™ continues to work to expand its programs on a global scale in order to generate a positive environmental impact.



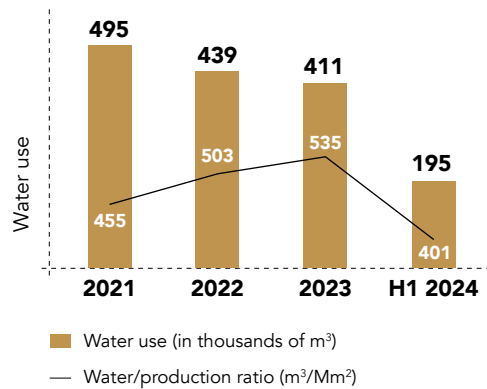
► Conserving water, an essential resource

Water use and effluents are closely monitored at our industrial sites. Numerous initiatives have been implemented to reduce water consumption (as defined by the GRI/CSRD).

Here are a few key projects in 2023–2024 that will continue to produce results:

- ◆ For all entities, the launch of a system to closely monitor the water distribution network in order to **improve leakage management**. This is currently being rolled out at production sites.
- ◆ At Chargeurs PCC, the generalized use of solution-dyed thread in products to replace processes that consume large volumes of water, such as dyeing
- ◆ At the French CAM plant, the installation of **steam recovery equipment** to save water.
- ◆ At the Italian CAM plant, the implementation of a three-year program involving a number of different technologies, which reduced the water consumption/Mm² ratio by 39% between 2020 and 2023.

Water use (in thousands of m³ and per Mm² of production)



WORLD
RESOURCES
INSTITUTE

Water risk assessment at production sites

Based on data from the World Resources Institute (WRI), Chargeurs is currently **assessing water risk** for its production sites and developing its strategy accordingly. Initial results show that **production sites located in Asia are the most exposed to this risk.**

CAM's industrial efficiency in Italy

In Italy, the implementation of a three-year program involving a number of different technologies reduced the water use/Mm² ratio by 39% between 2020 and 2023. The first phase involved the integration of a **water (and energy) recovery system** into the design of the new solvent recovery unit.

The second major phase involved the implementation of a unit to **"clean" the water by passing it over activated carbon, for reuse in steam production**. The site is seeking to make further progress in future years and is reviewing other innovations.

-39%

water ratio between 2020 and 2023 for CAM's Italian site

► Reducing risks related to hazardous substances

The use of chemicals in our manufacturing processes is a priority issue at Chargeurs Group industrial sites. Minimizing their use throughout a product's life cycle responds to both an environmental issue (potential chronic or accidental pollution) and a societal issue (handling of products) .

Chemicals: a question of responsibility

All the Group's production sites comply with applicable international and European regulations and **take steps to further minimize risks**.

For example, Chargeurs PCC imposes stricter standards than regulations require, and even eliminates certain compounds from their formulations whenever possible. As part of this process, **a Restricted Substances List (RSL) has been drawn up in partnership with TUV Rheinland, and tests are underway to identify alternatives**.

At Chargeurs Advanced Materials, the Industrial Performance and R&D departments continuously work to identify, minimize the use of, and find substitutes for chemical inputs that are hazardous to health or the environment, such as carcinogens, mutagens and reprotoxic substances (CMRs), as well as solvents that are sources of volatile organic compounds (VOCs).

AIR

Volatile organic compounds (VOCs) have been monitored at Chargeurs since 2016. These compounds are an air pollutant mainly produced by the use of solvents. In 2023, we emitted 503 t of VOCs at our production sites, with a clear downward trend since 2021 (when we emitted 1,234 t of VOCs).

WATER

The following metrics have been monitored since 2023, based on analysis of effluents leaving our production sites:

- ◆ Suspended solids (SS) concentration
- ◆ Phosphorus concentration
- ◆ Chemical oxygen demand (COD)
- ◆ 5-day biochemical oxygen demand (BOD5)
- ◆ Total Kjeldahl nitrogen (TKN)

SOIL/WATER/AIR

Environmental incidents have been monitored at Group level since the first half of 2024. They were monitored locally by each site before this date, and are now subject to a standardized severity assessment. In the first half of 2024, 3 incidents were recorded: 2 minor and 1 moderately severe. These incidents involved accidental glue spills and a discharge of effluents at an abnormal temperature.



3

◆ Social responsibility

Providing support and assistance to our employees

Ensuring our employees' safety

Employee working conditions are a primary concern at Chargeurs, especially for our human resources teams.

In 2023, the Group unfortunately saw a deterioration in its occupational accident frequency rate, which reached 7.2. This result did not reflect the Group's expectations or our teams' commitment. This increase in accidents was considered a wake-up call to which all our sites responded in the first half of 2024 in order to turn things around.

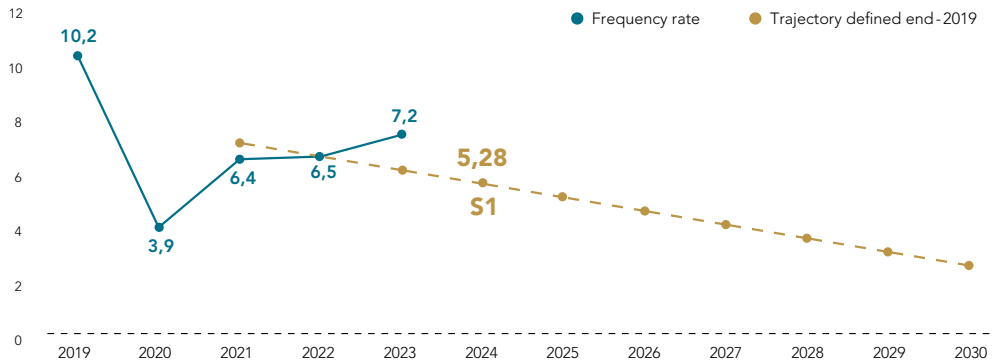
By the summer of 2024, the frequency rate fell back to 5.28. Safety inspections, ongoing training and the active leadership of our plant managers are some of the tools Chargeurs relies on to ensure safety.



Safety training courses

11,000
hours in 2023

+13%
compared to 2022



Cultivating a shared safety culture with an annual Global Safety Day

Held for the first time in 2017, Global Safety Day is the Group's annual safety event. To mark the event, employees enjoy time together raising awareness of safety issues on their site. The focus chosen for the 2024 edition of Global Safety Day, held on September 10, is **emergency response**. This topic is one that concerns us all and affects all employees regardless of where they work.

1,424
participants

>1.5 hrs
spent per participant,
on average



A focus on mental health

Chargeurs is committed to protecting the mental health of its team members, particularly through **social dialogue and managerial training**.

Since 2023, a CMS subsidiary in the UK has appointed members of its teams "**first responders**." These team members are trained to identify symptoms linked to mental health risk and to provide support to employees likely to be affected.



CMS satisfaction survey

An initial survey was carried out in 2023 with **Great Place To Work®** to obtain the views of Chargeurs Museum Studio's employees. A remarkable participation rate of 74% was achieved!

The survey analyzes responses against five criteria – **credibility, respect, fairness, pride and friendliness** – and compares the results against a "World's Best" benchmark.

The results show that employees share a sense of pride (74%) in our Group: pride in the meaning of the work we do at Chargeurs and the personal contributions made by each team member, as well as pride in our collective contributions (82%).

The management team is perceived as accessible and as empowering employees. The survey also showed that there was a need to standardize managerial practices at all entities by disseminating the best practices identified and by providing support for these changes.

The results of this survey have been fed into Chargeurs Museum Studio's action plan, the objective of which is to create a shared culture between its various entities and to develop a working environment in which all employees feel respected, responsible and empowered.

We plan to continue with this experiment at CMS at the end of 2024. The Group is looking to extend this type of survey to its other business lines in the coming years.

Fostering an inclusive corporate culture and providing equal opportunities

Providing equal opportunities and achieving a better gender balance is a priority at Chargeurs.

To achieve this, a number of strategies have been implemented, including:

- ♦ increasing the number of women in leadership roles
- ♦ promoting talent
- ♦ offering longer paid maternity leave than required by certain countries (for example, at a subsidiary of Chargeurs Personal Goods in the UK)
- ♦ combating harassment by setting up an effective whistle-blowing mechanism.

Percentage of women in our workforce

34.7%
of total employees

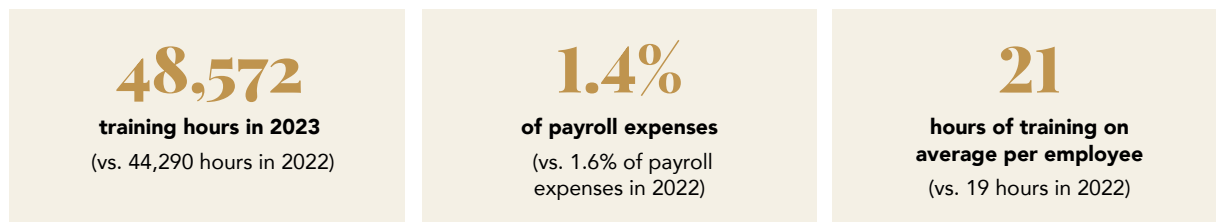
32.2%
executives

26%
in the top 50 executives



Developing individual talents

Key figures for training in 2023*



*Part of the hours in the US and UK could not be validated by the audit.

TOP 3 training topics in 2023 (a continuing trend in 2024!)



CSR awareness and training

We believe that CSR is a unifying concept.

In the summer of 2024, the Group's CSR team developed an e-learning program with precisely this goal in mind. Only a few days after being distributed to all employees, **the program has already been used by almost 400 people (as of mid-August).**

In addition to this, we wish to offer targeted CSR training to employees in certain key roles:

- ◆ Our sales force, who are our front line when it comes to market demand, so they can better meet our customers' needs
- ◆ Our purchasers, so they can put the ambitious "Sustainable Purchasing" approach they endorse into action.

Working to help local communities

Chargeurs seeks to contribute to local life in the areas where we operate, as our activities have an impact on the local communities who live close to our plants. All over the world, we're getting involved. Here are just a few examples.

Organizing a masterclass

This initiative was carried out as part of the creation of Chargeurs PCC Academy and involved the delivery of a **masterclass on interlining** at the *Institut Français de la Mode* (French Fashion Institute) in Paris.

The goal is to enable students to develop the necessary expertise and know-how to flourish in the textile sector, a sector which is constantly changing.

Partnering with Secours Populaire

Novacel, CAM's French plant, has launched a local partnership with Secours Populaire in Mont Saint Aignan. Together, they organized a **drive to collect Christmas toys from our employees to donate to children from underprivileged backgrounds**.

Developing skills

In 2023, a program was developed with rural communities in three regions near NATIVA™ Regen farms.

The goal is to **improve access to employment opportunities for women and young people** (80% of participants are women). Two workshops with 88 attendees have already been held: one on entrepreneurial spirit and another on digital expertise.

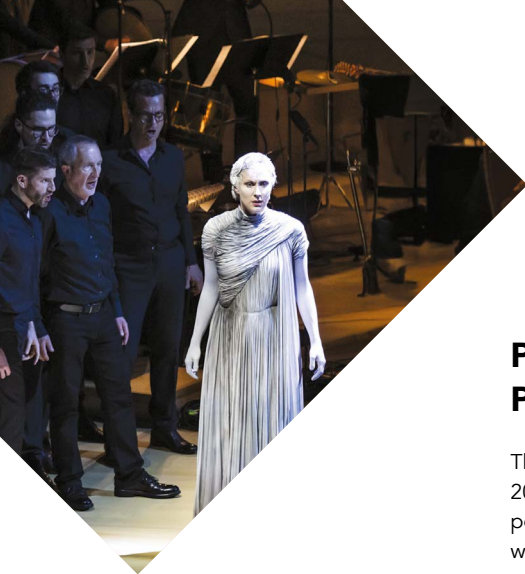
Preserving biodiversity

This SENFA project, launched in 2022, is ongoing. It is carried out within the framework of a partnership with the *Maison du Ried, de la nature et de l'Alsace centrale* (a non-profit promoting nature education) in Muttersholtz in central Alsace.

This project was selected as part of a "Companies and biodiversity" call for proposals by the Grand Est region of France. It includes a three-year contract with the Ecopatu'Rhin company, which practices **eco-grazing on part of the site's green spaces**.

SENFA also has an active partnership with the non-profit Recycl'sac, which produces bags made with fabric scraps from their sites.





Providing access to culture through Chargeurs Philanthropies

The Chargeurs Group endowment fund has been a patron of the Insula Orchestra since 2021. This ensemble, created by conductor Laurence Equibey, is unique in that it plays period instruments. For the 2023–2024 season, Chargeurs Philanthropies' support was specifically focused on the orchestra's inclusion and artistic and cultural education programs.

Thanks to this long-term patronage, the Insula Orchestra and Laurence Equibey have been able to develop a demanding artistic program and tie each of their creations with a major educational project. The most striking example of this is undoubtedly the immersive show "Beethoven Wars, a battle for peace" and the resulting joint creation "Chœurs engagés" (Committed choirs).

◆ *Beethoven Wars, a battle for peace*

For the first time at La Seine Musicale, *Beethoven Wars* blended classical music with manga and science fiction in an immersive space opera.

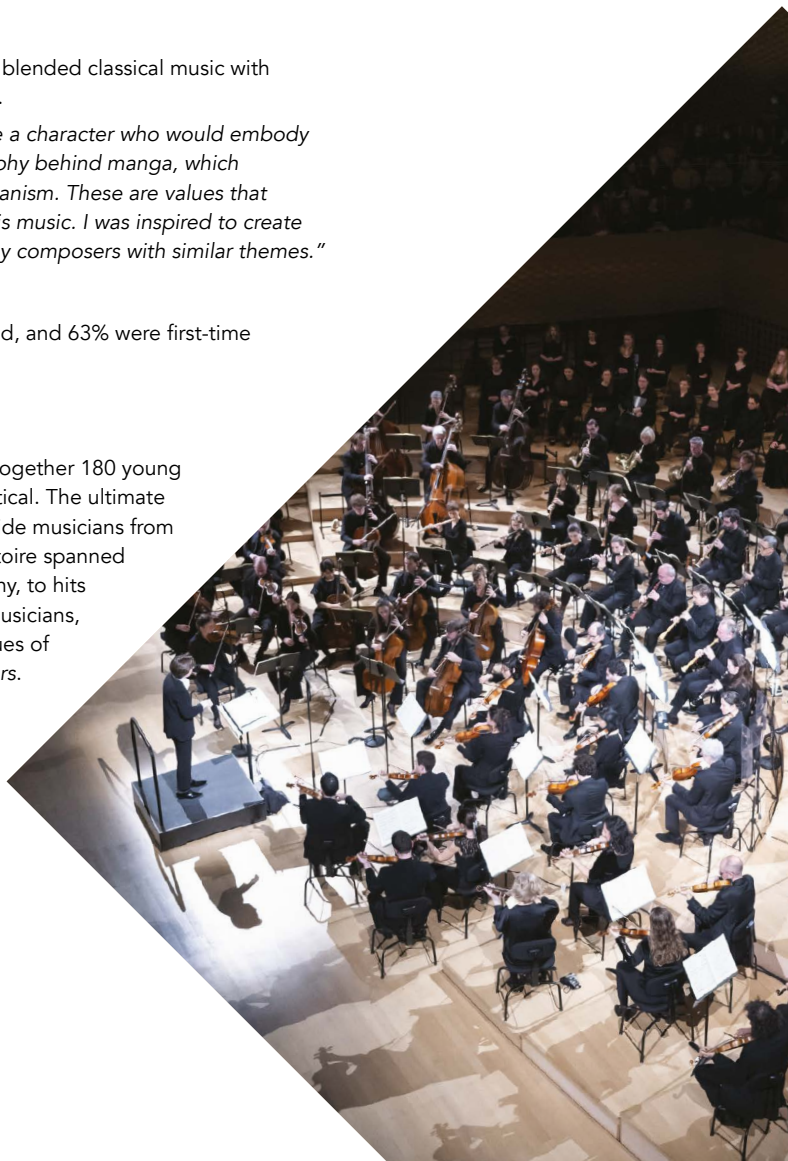
"A while back, we held a manga contest [...] to create a character who would embody the project. For me, it was a discovery of the philosophy behind manga, which espouses the values of utopianism, heroism and humanism. These are values that Beethoven held dear and that can also be found in his music. I was inspired to create an encounter between manga and incidental music by composers with similar themes."

Laurence Equibey

The results: 25% of the audience was under 28 years old, and 63% were first-time concertgoers!

◆ *Chœurs engagés*

Throughout the 2023–2024 season, this show brought together 180 young people on a journey that was both theoretical and practical. The ultimate goal: to perform in concert at La Seine Musicale alongside musicians from the Insula Orchestra on May 3, 2024. The chosen repertoire spanned genres and eras: from Monteverdi's cappella polyphony, to hits by John Lennon and Stevie Wonder accompanied by musicians, to Northern Irish ballads. The pieces embodied the values of peace, fellowship and freedom, echoing *Beethoven Wars*.



CSRD

correlation table

Material challenges and key initiatives

Issues identified as "doubly material" in 2024	ESRS	Challenges for Chargeurs Group	Policies and key initiatives
Working conditions for direct employees	S1.1	<ul style="list-style-type: none"> Acting in our employees' interests Protecting the health and safety of our employees 	<p>Policies HR Policy, Safety Policy</p> <p>Initiatives</p> <ul style="list-style-type: none"> Training program, improved e-learning platform Monthly monitoring of accident frequency rate at the highest corporate level (targets for all managers) Safety visits, training programs, annual events held in all countries
Climate change	E1.1 E1.2 E1.3	<ul style="list-style-type: none"> Minimizing the carbon footprint of our sites and our value chain, both upstream and downstream 	<p>Policies Code of Conduct, Sustainable Purchasing Charter</p> <p>Initiatives</p> <ul style="list-style-type: none"> Carbon footprint adjusted each year to provide the best possible data Energy efficiency initiatives implemented at key production sites Emission reduction targets (Scopes 1, 2, 3) and physical risk mapping under review
Pollution	E2.1 E2.2 E2.3	<ul style="list-style-type: none"> Mitigating the risk of pollution at our sites as well as our suppliers' sites Reducing the use of substances of concern for our employees and end customers 	<p>Policies Code of Conduct, Sustainable Purchasing Charter</p> <p>Initiatives</p> <ul style="list-style-type: none"> Site audits, including for our suppliers (e.g. physical barriers to prevent pollution) Incident and emergency situation management Creation of a Restricted Substances List (RSL) specific to Chargeurs PCC
Circular economy	E5.1 E5.2 E5.3	<ul style="list-style-type: none"> Innovating and implementing circular economy principles starting from the design stage and throughout the life cycle of a product or service 	<p>Policies Code of Conduct, Sustainable Purchasing Charter</p> <p>Initiatives</p> <ul style="list-style-type: none"> Eco-design of more responsible (sustainable) product ranges Use of product LCAs Increased use of recycled raw materials Decrease in the overall volume of waste generated and increase in the proportion of recycled material used
Corporate culture, commitment and advocacy	G1.1 G1.4	<ul style="list-style-type: none"> Championing our values, retaining talent and conducting business with integrity 	<p>Policies HR Policy, Code of Conduct</p> <p>Initiatives</p> <ul style="list-style-type: none"> Labor relations dialogue Employee survey Training in business ethics
Consumers and end users	S4.1 S4.2	<ul style="list-style-type: none"> Delivering quality products, while protecting user health and safety and complying with the most rigorous standards Ensuring our products are traceable 	<p>Policies Code of Conduct, Sustainable Purchasing Charter</p> <p>Initiatives</p> <ul style="list-style-type: none"> NATIVA™ audits to ensure full traceability A more rigorous Sustainable Purchasing Charter

Results

21 hrs of training per employee on average

Staff turnover **18.22%**

Occupational accident frequency rate in 2023: **7.21**

And in the first half of 2024: **5.28**

Reduction in CO₂ emissions linked to energy consumption in t. eq/Mm² at our production sites:

-5.3% in 2023 compared to 2022

Consolidation of new indicators for measuring pollutants in effluents leaving our production sites at the Group level

Standardization of environmental incident reporting in 2024

35% of our revenue was generated by sustainable products in 2023

11% less waste produced in 2023 than in 2022

100% of employees received anti-corruption training

Customer satisfaction as measured by CAM's Net Promoter Score (NPS): **44** in 2023, compared with a benchmark of 18.

272 NATIVA™-certified farms



Chargeurs Group Head Office

7, rue Kepler
75116 Paris – France

Tel: +33 (0)1 47 04 13 40
www.chargeurs.com

Design: PatteBlanche

Photo credits: Chargeurs, Adobe Stock, Getty Images, Unsplash



CHARGEURS

High Emotion Technology®