

Corporate Sustainability Report COP 2021



HMY

INNOVATION IN RETAIL

TABLE OF CONTENTS

5. HMY

8. Our values

10. Our commitment

11. Economic environment

12. Human rights actions and politics

15. Labor Policy

22. Environmental Policy

38. Anti-corruption Policy

[Global Compact Report in Spanish here](#)

[Global Compact Report in French here](#)



HMY is the international leader in **360° global services and innovation** for the retail sector.

HMY

HMY is the international leader in 360° global services and innovation for the retail sector. The Group, based in France, has a **60-year history of offering integral solutions** for engineering, manufacturing and assembly of furniture for retail, as well as consultancy, design and architecture services, site and project management and divisions specializing in new technologies and lighting.

HMY creates efficient and attractive sales spaces, **offering innovative products, services and solutions** to create a unique shopping experience. As a retail expert, HMY's goal is to help its clients increase sales by offering their consumers the best shopping experience.

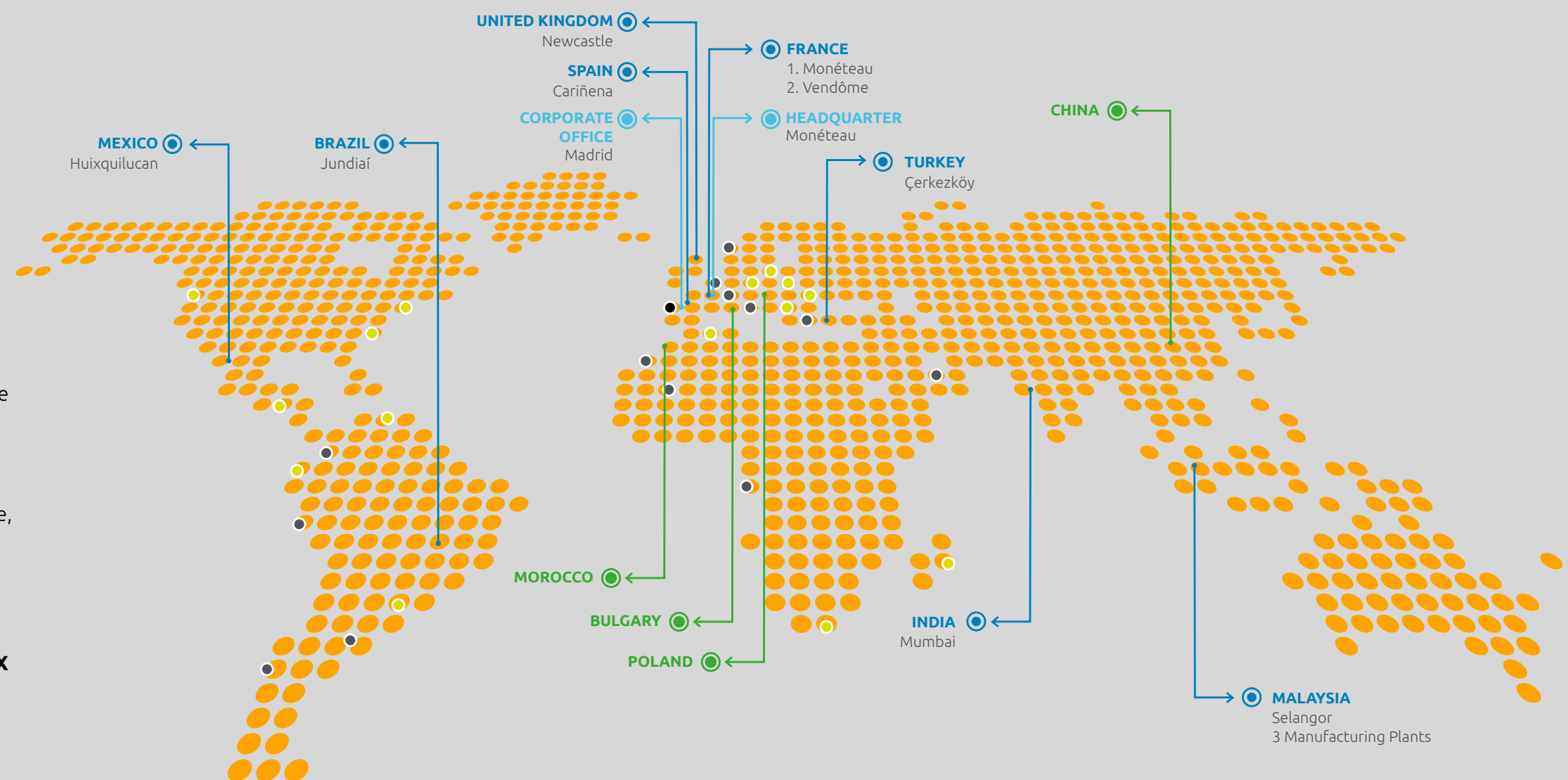
A company with global reach

The company has a presence in over **160 countries** and more than **90 sales offices** across the world.

The company has a presence in over **160 countries** and more than **90 sales offices** across the world.

A wide-reaching global structure with deep local knowledge evident in all our activity. To adapt to each market and its culture, we have **business units based in each continent**, which makes us well-placed to assist our customers in their international expansion.

HMY manages **12 production units** in France, Spain, UK, Turkey, Brazil, Malaysia, India and Mexico. Our factories have been certified in the latest international **environment standard ISO 14001, H&S ISO 45001 and Quality ISO 9001**; it has undergone **SMETA social auditing** and forms part of the **SEDEX** and **ECOVADIS** organization.



● Headquarter & Corporate Office
 ● HMY Factories
 ● HMY Offices
 ● Supply Chain
 ● Partnership

Our values

At HMY we are totally committed to the values that identify and distinguish us in any country throughout the world.

Customer satisfaction

Our objective is to guarantee our customers' satisfaction.

We are committed to supporting our customers by "offering them sustainable innovation" from the concept creation to the delivery of the fully-equipped sales spaces, with guaranteed after-sales service.

We look after people

Our success is based on the team. We believe in the people that belong to or collaborate with our company, and we have the utmost respect for them.

Results-oriented

We strive to achieve constant growth and strengthen our leadership position in a global market. Achieving maximum customer, employee and shareholder satisfaction is one of our key objectives.

Global company

We are an international company and shared values enable us to uphold the utmost ethical commitment in every country where we operate while respecting our policies and commitments overall. A single image, under HMY's flag, means that we are globally recognized as a team, which offers borders-less service.

Sustainability

At HMY we are committed to the 10 principles of the United Nations Global Compact. This is clear in our action plans, set out based on the 17 sustainable development goals for 2030.

[Download our values here](#)

Our commitment



To our stakeholders:

I am pleased to confirm that the HMY Group and all its subsidiaries reaffirm their support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continuously improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit ourselves to share this information with our stakeholders by using our primary channels of communication.

Walter Ceglia
HMY President



HMY figures

Economic Environment

Human rights actions and politics

The **respect for human rights**, the fundamental principles and rights at work contained in the ILO declaration, and the requirements established in terms of occupational health and safety, the environment and quality represent the principle that governs all our decisions and future actions focused on generating sustainable development, AND a positive impact on society.

We structure our **Social Responsibility program** focused on three basic axes that allow us to execute actions effectively and sustainably:

We take care of our people • We are more human • We are involved

WE TAKE CARE OF OUR PEOPLE

The focus on promoting our employees' health, is based on the following axes:

- We share our Lessons Learned with an accessible online library: **HMY Management System**
- Campaigns to prevent workplace accidents and push the occupational health
- Healthy eating habits with healthy breakfasts
- Sponsoring life in sport
- Tobacco cessation campaigns

Furthermore, HMY has adhered to the Luxembourg Declaration, in its commitment to the defence of human rights in relation to the safeguarding of protection rights and the integration of basic principles of health at work.

WE ARE MORE HUMAN AND WE ARE INVOLVED

The axes "We are more human" and "We are involved" encompass the entire society, understood globally as all external groups that we can help in their personal and professional development, both locally, in our communities, and globally through philanthropic relationships.

During the past year, we materialized our actions in a positive impact on our environment,

- Recruitment programs for people at risk of exclusion. **(1per)**
- Recruitment programs for people with special needs **(14per)**
- War refugee recruitment programs **(2 per)**.
- Food collection campaigns **(500 kg)**.
- Clothing collection campaigns **(272 kg)**.
- Toy collection campaigns **(325 kg)**.
- Campaigns to collect plastic caps **(63.3 kg)**.
- Blood and marrow donation campaigns **(92 donations)**
- Donation of furniture or pieces of furniture to local associations.

We have an anonymous complaints channel, thus showing transparency and rigour in the principles that govern us and auditing its operation annually.

In 2020, we got 0 complaints again.

Social campaigns

In our international business units, social campaigns are developed both internally and in collaboration with local associations in which HMY employees participate.



ATADES race sponsor. HMY Spain



Solidarity sum project. HMY Spain



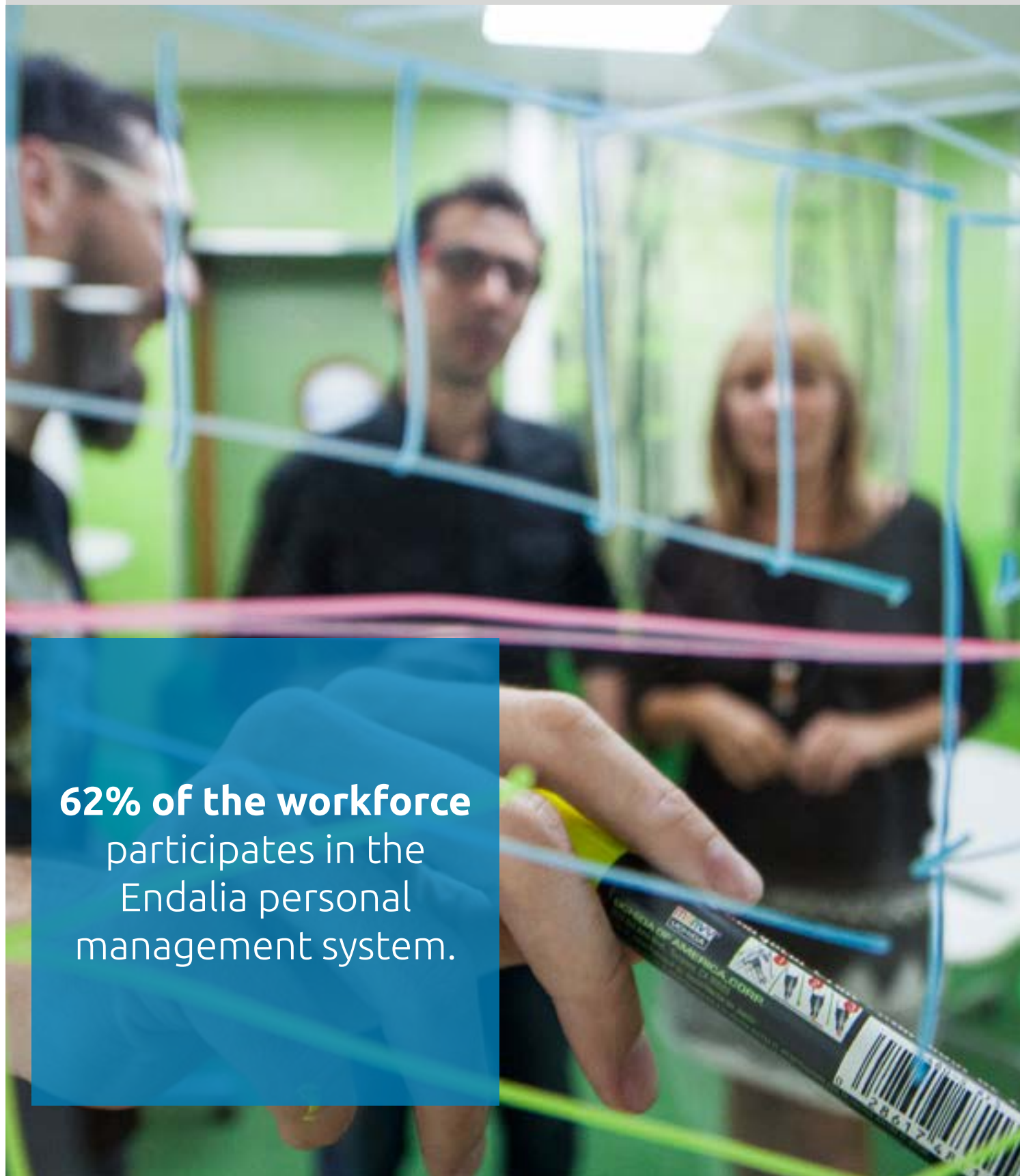
Campaign against waste. HMY Turkey



ESIC Business Race. HMY Spain



HMY Solidarity, collection Toys. HMY Spain



62% of the workforce participates in the Endalia personal management system.

Labor policy

Employees – Company relationship

HMY guarantees the labour rights of all its workers regardless of the country where they are, through an open relationship regarding social dialogue with the representatives of the workers and promotes their compliance throughout the supply chain through the agreement of our **Responsible Purchasing Policy**.

The company supports family reconciliation with the flexibility of entry and exit times previously agreed upon with the representatives of the workers. These hours oscillate in ± 30 minutes over the fixed hours, which translates into 1 hour of flexible hours of access to the job.

The company puts, at the service of its workers, a personal management system, **Endalia**. The objective is the evaluation of competencies and the results achieved with respect to those defined at the beginning of the year. The system has a total of **1,885 active processes** for evaluating the results of 2020, which represents an **increase in its scope to 62% of the workforce**.

In addition, other online communication and collaboration channels are made available to employees such as **People Club**, where the company offers discounted sports and leisure activities and **HMY People App**, the latest tool launched by the company to improve and facilitate workers access to information such as contract, payroll, calendar and news.

'We take care of you', is HMY's special program where healthy living and eating habits are promoted for employees.



Health & Safety at work

In order to proactively guarantee compliance with current legislation, **our factories are certified** according to the international standard regulations, all of them **having been updated to the new ISO 45001 certification and based on the ISO 9001** Management System that guarantees action plans for continuous improvement.

In 2020, we successfully passed the social **audits with a review of occupational health and safety issues such as SMETA and ECOVADIS**, publishing the results on their online platforms available to our clients and interested parties: Sedex and Ecovadis.

Also, periodic internal audits are carried out for good practices and healthy behaviour habits in the workplace, in order to prevent and train workers about unsafe habits and inappropriate processes or means. This allows us to detect problems and share the lessons learned among all areas of the factory, and most importantly, among all business units.

HMY, in the search for transparency and continuous improvement in workplace accidents, has joined the **Luxembourg Declaration**, committing itself to comply with the basic principles of promoting health at work, in the management of the health of its workers.

At the level of occupational accidents, with respect to **lost-time accidents (LTI)**, we have reached a trend of continuous improvement that has allowed us to reduce it in the last 5 years, thus achieving a **reduction in the frequency rate of 10% additional compared to 2019, reaching an absolute value in 2020 of 5.17**.

In addition, this low accident rate is accompanied by **a very low severity rate, with a 27% reduction in the severity of accidents compared to 2019**, leaving the value at 0.11 days of work lost for every 1000 hours worked.

In a year as difficult and special as 2020, where the **COVID 19 pandemic penalized our business figures**, HMY designed a social plan to minimize its impact on our workers as much as possible. As a result of this collective effort, we all **achieved absenteeism figures of 4.5%** much lower than that of neighbouring companies.

Highlight all the measures implemented during 2020 and that are still active, helping us to keep our facilities free of Covid.

SPECIAL COVID 19 MEASURES ACTIVE AS 11/13/2020

OFFICES	<ul style="list-style-type: none"> Methacrylate screens with the person in front Deskside screens Sanitizing gel Disinfection product available to workers Marked safety distances Social distancing (> 1.5m) Maximum ventilation possible time Communicate to office workers about reducing the material to have on the work table to the essentials. (5S) 	ACCESS CONTROL	<ul style="list-style-type: none"> Take temperature: + 37.5°C do not enter. Protection screen. Mandatory use of a 100% day mask. Filling in the COVID19 entry control file.
		PROTECTION MEDIA	<ul style="list-style-type: none"> Make latex / vinyl gloves available. Remember to wash your hands with soap and water regularly. The use of a mask is mandatory 100% workday. Temperature taking Thermal Chamber Sanitizing Gel. Disinfection product.
MEETING ROOMS	<ul style="list-style-type: none"> Poster in each room with maximum occupancy number. Chairs marking to maintain social distancing (> 1.5m). Sanitizing gel. Study of improvement of forced and natural ventilation. Put paper and disinfectant product in 100% meeting rooms. Rehabilitate outdoor meeting areas. 	FACTORY	<ul style="list-style-type: none"> Cleaning of forklifts, steering wheel, controls, belt and all areas where there is contact with hands, at the end of the shift. Hand Sanitizing Gel in 100% sections. Recommendation to come in uniform from home: Via APP. Except for varnishing posts, sanders, polishers and painters. Disinfection, every shower shift. Replacement masks painters. Cleaning at the end of each shift of use of changing rooms. Bus decaling. Disinfectant product for use in tools and commonly used utensils, alcohol for keyboards.
DINING ROOM - REST AREAS	<ul style="list-style-type: none"> Respect floor markings in the dining room row with safety distances. Sanitize your hands before and after using these spaces. Chairs marking to maintain social distancing (> 1.5m). 2 m distance when wearing a mask not possible. Separation of entrance and exit doors in dining room NAVE 4. Cleaning before and after each lunch shift in rest areas. Cleaning at the end of each meal shift by departments. Unit packaging of cutlery in the dining room. Elimination of buffet salads in the dining room. Disposal of water jugs in the dining room. Tray position marking. Establish a schedule for personal plant lunches, social distancing. Installation of screens in the dining room and break rooms. Opening of two windows in the Nave 4 dining room. Capacity control. Hours by departments in dining room offices, social distancing. 	VENTILATION - CLEANING	<ul style="list-style-type: none"> Cleaning of common areas in factories and offices has been intensified, paying special attention to knobs, switches, in short, everything that comes into contact with our hands. Disinfection carried out by EULEN by nebulization with virucidal of the main passageways, exterior smoking areas. Work areas are ventilated during the night shift The commitment of the car rental company to clean cars with homologated virucida.
BATHROOMS	<ul style="list-style-type: none"> Arm opening system for bathroom doors. Leave doors open. Maximum 2 people, wait outside. An informational sign is posted on all doors. 	EXTERNAL TRANSPORT CLEANING	<ul style="list-style-type: none"> Recommendation to limit visits from external providers Only those transports that are essential for the normal operation of the plant will be allowed. External carriers are required to wear a mask and protective gloves during their stay at the facilities The temperature of the carriers that are going to enter the facilities will be taken, in case of exceeding 37.5°C they will not have access.
TURNSTILES	<ul style="list-style-type: none"> Fingerprint disabled 		

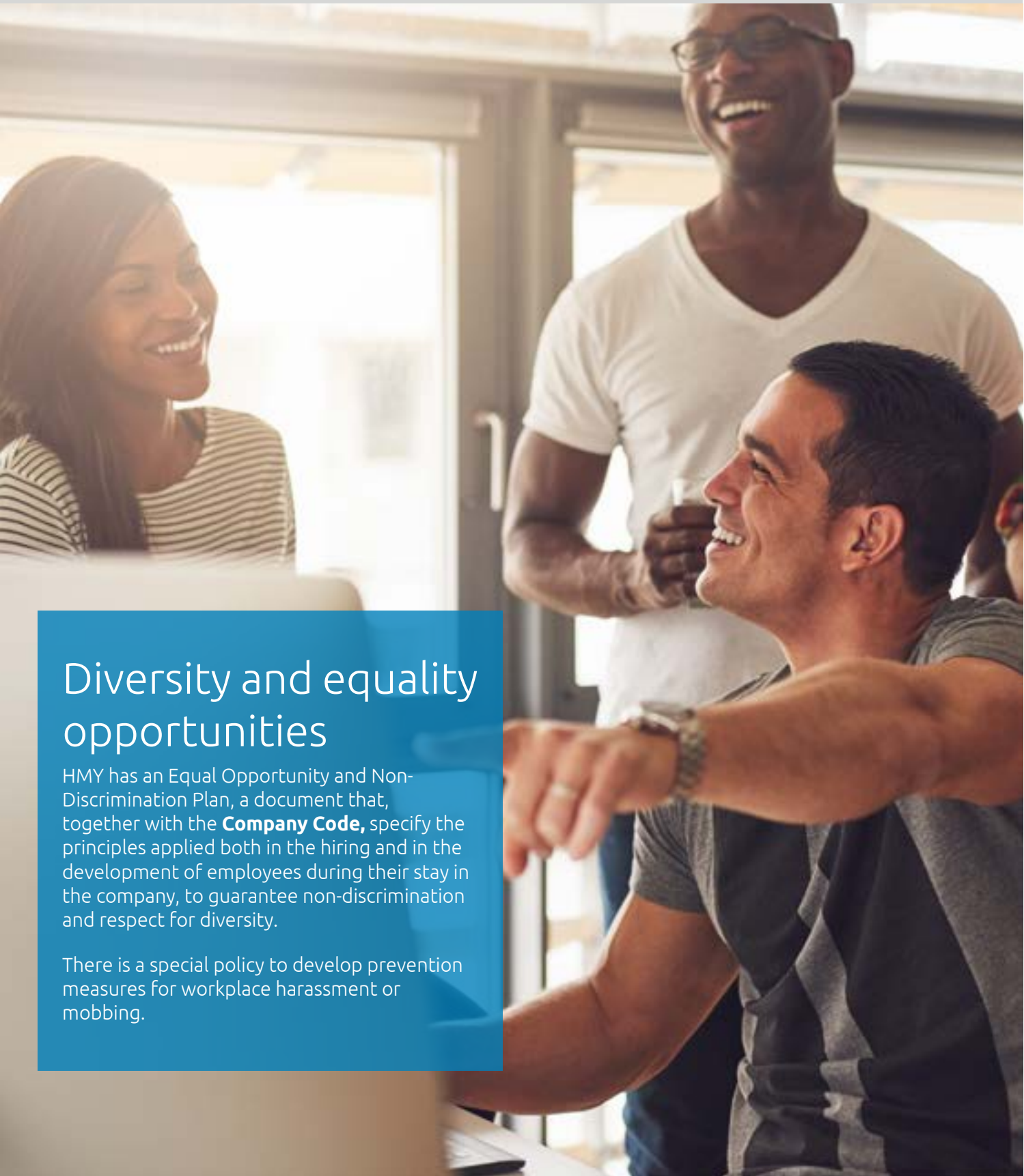
Training and learning

Promote and access to training is key to the development of our professionals. HMY launched its online training platform (**HMY Campus**) in 2019 to increase the employees training and sharing knowledge with courses carried out by the employees.

Thanks to this platform, employees have significantly increased their training hours on tools and syllabuses required for their current roles. During 2020, **779 users** completed **16,784 hours of training** at the HMY Campus, increasing the hours of training per registered employee to **21 hours**, and **3,641 complete courses** having been completed, equivalent to **4.67 courses** per user.

To all these online and volunteer courses, those carried out in person are added to comply with legal regulations.

These courses are also joined by other specific foreign languages, aimed at developing the potential of employees in international relations within and outside HMY, as a necessary objective identified within the value of Global Group.



Diversity and equality opportunities

HMY has an Equal Opportunity and Non-Discrimination Plan, a document that, together with the **Company Code**, specify the principles applied both in the hiring and in the development of employees during their stay in the company, to guarantee non-discrimination and respect for diversity.

There is a special policy to develop prevention measures for workplace harassment or mobbing.

[Download our Ethics Code here:](#)

Environmental policy

SMART  HMY 2025
RESIDUOS RECURSOS

We are committed to supporting efficiency throughout the supply chain of the products we develop for our clients, moving towards a sustainable production model based on the **circular economy**, conceptualized from **ecodesign** and allowing us to minimize and even compensate for our carbon footprint.

OUR GOALS FOR THE 2025 AGENDA: RESULTS TO 2020

15%

reduction of our carbon footprint.

100%

product made from recycled or controlled origin material.

100%

of projects based on the precepts of eco-design.

Zero

waste in all our factories and manufacturing processes.

80%

recycled or reused product.

50%

of product manufactured with own waste or waste from our clients.

VALUES ACHIEVED IN 2020

12,2%

25,3%

8%

4%

(96% is recycle)

1%

9%



Production plant of our factory in Cariñena (ZARAGOZA)

Some of the actions we have carried out in 2020 are:

- Launch of the calculation of the carbon footprint by product and redesign according to the EcoDesign principles.
- Framework agreements with clients for the management of their waste and its transformation as Raw Materials for new products.
- Framework agreement with clients to develop new business lines based on the reuse and readjustment of products at the end of their useful life.
- Placement of containers for the collection of hazardous waste to be treated by a specialized company.
- Launch of product optimization tools during the facilities design phase to minimize deviations - BIM Software.
- Collection of construction waste for proper recycling.

- Reuse and treatment of the water used in the chemical paint bath before its elimination to eliminate contaminants.
- Conservation of green areas.
- Planting tree areas to offset carbon footprint.
- Encourage the use of sustainable means of transport such as bicycles to go to work.

Currently, HMY factories are environmentally certified according to ISO14001 and / or have been audited according to environmental criteria by external organization (SMETA), guaranteeing compliance with environmental requirements.

Our sustainable commitment pushes us to continuously improve, and as proof of this, **every year we are able to gain EMAS certification in our main manufacturing centre, located in Cariñena (Spain).**

Eco-design

Before the certification of our technical offices based on **ISO 14006**, we work in accordance with the **Eco Design 6 pillars**:

1
Minimum possible material

2
100% materials recyclable and recycled materials

3
100% materials of sustainable origin

4
Design to facilitate segregation

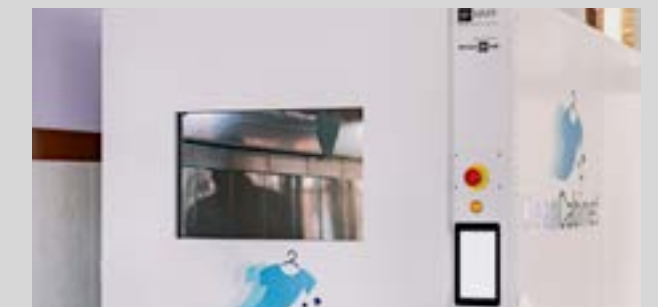
5
Zero polluting coatings

6
Use standard systems

During 2020 we have achieved **8% sales of Eco Designed products**, mainly based on 3 products:

- Revita bags
- O3 tunnels for COVID disinfection
- Italian desks with which we have saved more than 2,000 Ton CO2 compared to the traditional design.

The goal for 2021 is to achieve **35% sales** with the inclusion of one of HMY's core products, the P25 family.



O3 tunnels for COVID disinfection



Re.vita Bags



BIO Price Holder



Materials

At HMY we have defined the tools that allow us to make better use of materials and proper waste and residues management while helping our clients to reuse their waste.

In 2020, **the percentage of scrap has continued to reduce by 4.6% compared to 2019, going from 12.9% to 12.3% of the total steel purchased.**

Energy

The obsession to achieve the maximum use of the energy we consume and the origin from sustainable sources is the basis of our strategy to combat climate change and a line of action to reduce our carbon footprint.

The evolution in the **decrease in consumption** in absolute terms in 2020 compared to 2019 is **11.3%**. However, due to the impact of COVID on turnover and industrial operations, has led to an **increase in relative energy consumption compared to sales of 12.3%**, despite the fact that we have carried out the following actions to reduce energy consumption:

- Continue the renovation of obsolete industrial equipment such as the polymerization furnace.
- New paint lines with processes based on more efficient thermal pretreatment nanotechnologies.
- Optimization of factory flows with automation of the preparation processes.
- Implementation of Petit-Train reducing the use of trucks internally.
- Rationalization of the air conditioning in the plant.
- Promotion and optimization of transportation to the plant.
- Awareness of the workforce for the effective use of electronic equipment.
- Energy audit.
- Automatic presence sensors.
- Facilitate the use of electric vehicles for trips with recharging points.
- Construction of the external warehouse in Warehouse 5 next to the Cariñena Factory, reducing several auxiliary warehouses located further away and establishing dairy circuits for the transit of goods.
- Use of regulatory warehouses at a great distance from the factories with shuttles to the point of final consumption.

Water

Water is a very valuable resource and HMY see any small improvement that helps us reduce water consumption as a great success.

As with energy, we have achieved savings in **absolute values of 11.4%** but in relative terms with respect to turnover, a **loss of efficiency of 12.1%**. We have carried out the following actions to reduce water consumption:

- Change of water meters.
- Facilities leaks mapping and preventive plans.
- Stoppers in taps and toilets with a double flush.
- Awareness campaigns.
- Irrigation with rain recovery water and post-treated.

We have achieved savings in **absolute values of 11.4%** but in relative terms with respect to turnover, a **loss of efficiency.**

Emissions

We annually calculate an impact on the carbon footprint with scopes 1 and 2. During 2020 **we have managed to reduce emissions in absolute terms compared to 2019 by 12.2% with a total of 15,695 T CO₂eq.** However, the drop in sales and industrial activity has not allowed the use and optimization of internal processes, **impacting us by 12.8% on the carbon footprint relative to the sales figure.**

We certify our carbon footprint reduction and compensation according to each country legislation and scope.

These are the main actions implemented to reduce emissions:

- Change of the degreasing in the paint lines anticorrosive treatment
- More efficient machinery adaptation
- Energy audits
- Plant heaters remote control and offices temperature rationalization
- Refrigerant gases substitution by other less polluting ones
- Trucks number substitution for multi-panel small trains
- Change from diesel to electric trucks
- Substitution of traditional luminaires for led luminaires
- Factory wall and ceiling paint with white colour and factory window cleaning
- Electric grid point for car recharging
- Continue the renovation of obsolete industrial equipment such as the polymerization furnace.
- New paint lines with processes based on more efficient thermal pretreatment nanotechnologies.
- Optimization of factory flows with automation of the preparation processes.
- Implementation of Petit-Train reducing the use of trucks internally.
- Facilitate the use of electric vehicles for trips with recharging points.
- Compensation of our carbon footprint through tree planting programs in Spain and South America with 76T Co₂, (0.48% of our carbon footprint)
- Increase in our percentage of Green Energy, reaching 33% of the total.

With the aim of deploying the calculation of the impact to scope 3 for the year 2022, actions have been started to reduce our impact associated with the logistics of supplied products.

HMY achieved with “Lean & Green 1 star” the most relevant certification in terms of sustainability in the supply chain, which certifies that in the last 3 years the carbon footprint associated with product logistics has been reduced by more than 20% that we supply at the group level, 12% of the total can be considered through:

- Construction of a warehouse outside Warehouse 5 next to the Cariñena Factory, reducing several auxiliary warehouses located further away and establishing dairy circuits for the transit of goods.
- Use of regulatory warehouses at a great distance from the factories with shuttles to the point of final consumption.

For the second year in a row, **our Cariñena factory has been chosen by the Spanish Office for Climate Change**, as one of the 101 business examples of #PorElClima 2020 actions on the occasion of its “**Lean & Green 1 star**” certification. This has been awarded having reduced logistics process greenhouse gases by 22% in 3 years.

[For more information:](#)

Waste 0, in search of the Circular Economy

At present, continuing to work on the best use of raw materials and industrial processes allows us to continue evolving towards **our goal: to achieve 0 waste. In 2020, 95.86% of recycled waste was achieved.**

We launched reuse **projects with our customers' waste, such as the REVITA bag**, which accounts for 1% of our sales.

We have also launched activities for the **reuse of customer assets, which allowed us to reach up to 9.1% of product sales** based on our own or customer waste.

Work is being done to extend and internationalize this type of actions with which **we plan to reach up to 15% of our sales next year.**



Our main objective is to achieve **0 waste**. In 2020 we get **95.86% of recycled waste**

Committed to our planet and our environment

We work to have a positive impact on society and the environment. Therefore, all our actions are aimed at complying with the ten principles of the United Nations Global Compact of which we are a part.



Promote the use of the bicycle to go to work



River water collection systems



EN HMY
YA ESTAMOS
COMPENSANDO
NUESTRA HUELLA
DE CARBONO



Tree plantation



At HMY we maintain and promote the highest **ethical commitment** to our supply chain, suppliers, customers and all HMY team

Anti-corruption policy

At HMY we maintain and promote the highest ethical commitment to our supply chain, suppliers, customers and all HMY team. We ensure the proper functioning of our policies and commitment to society by adhering to our values and ethical code.

The company's Ethics Code was reviewed according to the Sapin law in order to be aligned with HMY principles and values and in favour of the fight against any form of corruption. Also, the company made available for employees an online course inside of the HMY's training platform, Campus HMY.

HMY has sensitive profiles regarding their job position, professional contacts or relevance in the organization. It has trained 100% of these profiles and 26% of all employees on the Code of Ethics. The goal for 2021 is to train 40% of employees, which will represent 100% of people who work with a computer continuously.

The company has developed for the first time a **responsible purchasing policy** where it seeks the commitment of all suppliers to HMY's values. You can find below some measures taken to achieve this commitment.

You can find below some measures taken to achieve this commitment:

- Specific training plans for purchasing managers and their teams regarding the Responsible Purchasing Policy and its purpose.
- Development of an **Internal Procedure for selecting suppliers** in accordance with said Policy.

[Download our Purchasing Policy here.](#)

HMY endorsements

Labor Policy



ISO 9001 "Quality management system": determines the requirements for a Quality Management System, which can be used for internal application by organizations, regardless of whether the product and / or service is provided by a public organization or private company, whichever whatever its branch, for its certification or for contractual purposes.



ISO 45001 "Occupational health and safety management systems" applicable to any organization that wishes to establish, implement and maintain a management system to improve occupational health and safety, eliminate risks and minimize risks (including failures system), take advantage of OSH opportunities.



SMETA. The Sedex Member Ethical Trading Audit (SMETA) is one of the most widely used ethical audit formats in the world. The 4-pillar SMETA audit includes the additional Environmental and Business Ethics assessments.



ECOVADIS. Provides a holistic business sustainability rating service offered through a global platform. The EcoVadis Rating encompasses a wide range of non-financial management systems that includes environmental impacts, labor practices and human rights, ethics and sustainable purchasing. Each company is evaluated on the material aspects corresponding to the size, location and sector of the company.

Environmental Policy



ISO 14001 "Environmental Management System (EMS)": applicable to any organization, of any size or sector, that under a voluntary assumption is seeking to reduce impacts on the environment and comply with environmental legislation.



FSC . It is the Forest Stewardship Council to promote an environmentally appropriate, socially beneficial and economically viable management of the world's forests "



EMAS. from the English Eco-Management and Audit Scheme, it is a Community regulation of Eco-management and Eco-audit. It is an environmental management tool that emanates from the voluntary regulations of the European Union that recognize those organizations that have implemented an EMS (Environmental Management System) and have acquired a commitment to continuous improvement, verified by independent audits. Organizations recognized with EMAS - be they industrial companies, small and medium-sized companies, third sector organizations, administrations and international organizations (including the European Commission and the European Parliament¹) - have a defined environmental policy, make use of a management system and periodically report on the operation of said system through an environmental statement verified by independent bodies.



LEAN & GREEN. The largest European platform for collaboration especially aimed at reducing emissions associated with the supply chain. It is an international initiative whose objective is to help companies in all sectors to reduce their greenhouse gas emissions derived from logistics activities to achieve the objectives defined at the Climate Summit in Paris (COP21) of neutral emissions in carbon by 2050.



Footprint I calculate, recycle and reduce. Spanish certification of the calculation of the carbon footprint, which is reduced and that we also compensate for what we are not able to reduce in our processes.



HMY

INNOVATION IN RETAIL

www.hmy-group.com

