

#### FM Logistic renews its commitment on all 10 UN Global Compact principles

Monday, Sept. 19<sup>st</sup> 2022

Dear Mr. Secretary-General,

Since 2018, FM Logistic has been a signatory to the United Nations Global Compact and thus is committed to implement and promote its ten principles in the areas of Human Rights, Labor, Environment and Anti-Corruption. As Chief Executive Officer of FM Logistic, I am proud to renew this commitment, which reflects the Group's values and commitments to sustainable development.

We acknowledge that one of the key requirements to be part of the United Nations Global Compact is the yearly submission of a Communication on Progress (COP) that describes our company's efforts to implement the 10 principles and we will continue to report it in a public manner.

Sincerely yours,

Mr. Jean-Christophe Machet CEO FM Logistic

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# Company presentation

Founded in France in 1967, FM Logistic is an independent family-owned company that provides supply chain solutions for omnichannel commerce in the consumer, retail, cosmetics, industrial and healthcare sectors.

Its services include warehousing, e-commerce and retail order picking, co-packing, domestic and international transportation, and control tower services. It operates in more than 14 countries in Europe, Asia and Latin America. FM Logistic generated revenues of €1.52 billion in the fiscal year ending March 2022 and has 28,600 employees.

We are pioneering transportation pooling and the one-roof concept. We promote environmentally friendly co-packing solutions and carbon neutral warehouses. We work hard to optimize how we use resources, continuously monitoring and improving our carbon footprint. We are developing innovative and sustainable omnichannel distribution with our urban solutions or our bulk finished goods offering.

Wherever we are, we become a committed and sustainable partner for local communities. Nothing would be possible without our collective inner passion and all the energy we share to create and carry out these actions. That's why we strive to collectively and continuously improve our daily work life and the well-being of our teams.



#### FM Logistic Sustainable Development programme

As part of a global ecosystem, cooperation is the key to success in building sustainable logistics and supply chain management. This is why we team up with various organizations and stakeholders. Our commitments are based on two fundamental standards: the United Nations Global Compact and the Sustainable Development Goals.

Our sustainable development programme was collaboratively designed in 2017-2018 and officially launched by our CEO last June 2018 in all countries, and is is structured in 3 major pillars and 8 priorities:

Take care of our people

- Ensure fair and safe working conditions
- Develop people skills
- Create a collaborative culture

Improve the environmental footprint of our activities

- Target neutral impact of logistic activities
- Contribute to limit negative impact of transportation

Develop sustainable supply chain services

- Help our customers to make their supply chain more sustainable
- Share our SD principles with suppliers
- Support sustainable innovation thanks to our collaboration with partners



This report provides an overview of how FM Logistic has implemented the Ten Principles of the UN Global Compact (UNGC) across our business and service lines. It is intended to provide a snapshot of how our firms have aligned to the principles in a non-exhaustive way.

# Actions linked to Human Rights principles



#### **Principles** Commitments Actions Principle 1: Businesses should support Founded more than 50 years ago, FM Logistic is a In the past year, FM Group issued a private independent group whose history has been document named "Code of conduct". FM and respect the protection of shaped by the values of its founders: the respect for Group states its commitment to comply internationally proclaimed human others, keeping one's promises, entrepreneurship, with the principles of the Universal rights; and teamwork, performance and enthusiasm. Declaration of Human Rights of 1948, and one part of this document is dedicated to FM Logistic has committed to conducting its Principle 2: Make sure that they are not the compliance with labor and human activities with integrity, according to rights legislations. complicit in human rights abuses. fundamental values of trust, performance and openness. FM Logistic also published a Business This manifests itself through: Partners Code of conduct. As FM Logistic is committed to compliance with laws. > A zero tolerance policy towards all forms of social and ethical standards as well as to corruption or illegal activity. act in a responsible and sustainable manner, it intends to maintain these > Ethics rules clearly established and resulting standards in all business dealings. from our values and our company culture. FM Group has also developed a compliance programme. A reporting or "whistleblowing" procedure has been set up: this is the Ethics Hotline (ethics@fmlogistic.com). Any employee or third party can therefore report any concerns.



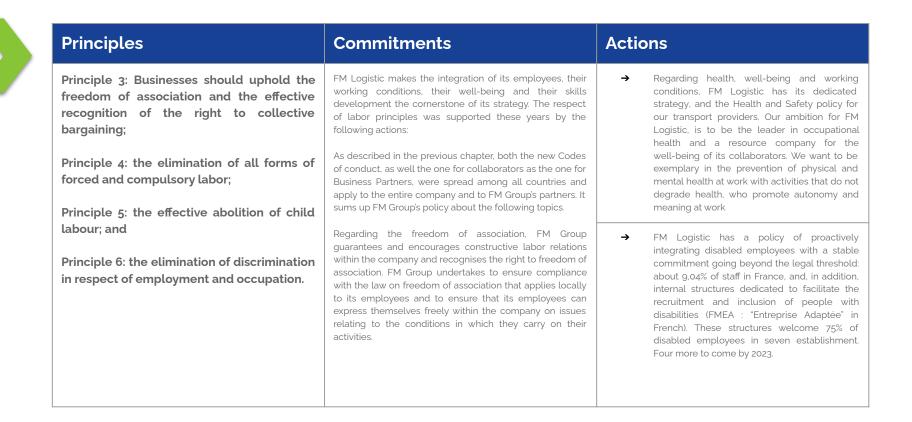
Principles	Commitments	Actions
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and  Principle 2: Make sure that they are not complicit in human rights abuses.		→ FM Logistic disposes of a compliance department, which has for its mission to define and deploy a compliance policy and the risk management, according to the Sapin 2 legislation, including fighting against fraud and corruption.
		→ In 09/10/2021 we conducted an audit campaign in FM Italy and FM Romania. The goal was to verify the tendering process, and the security aspects of platform access for temps

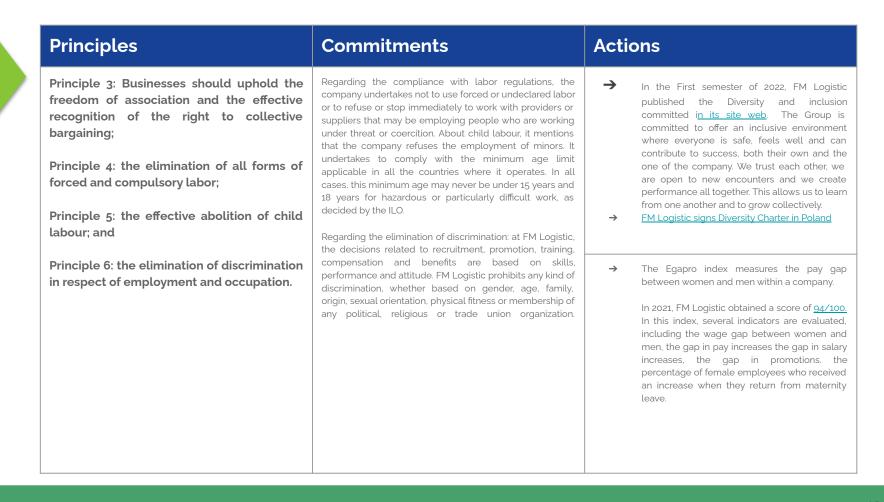


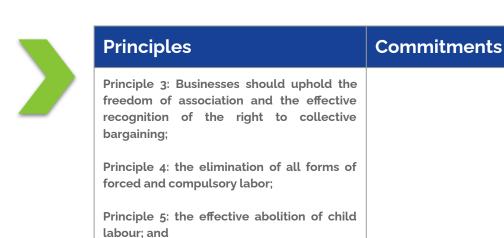
Principles	Commitments	Actions
Principle 1 : Businesses should support and respect the protection of internationally proclaimed human rights; and		Thanks to the mobilization of its team, the generosity of the Group's employees and its clients, the FM Foundation has involved itself in helping the Ukrainian population by organizing collection points at FM sites to centralize donations for charities working in Ukraine and by paying for the transport
Principle 2: Make sure that they are not complicit in human rights abuses.		costs to get the collections to Poland or Romania via charities and alson allocating €100,000, i.e. 50% of its annual budget, to solidarity actions to help refugees
		Acting in social emergencies p.9



Actions linked to Labour principles

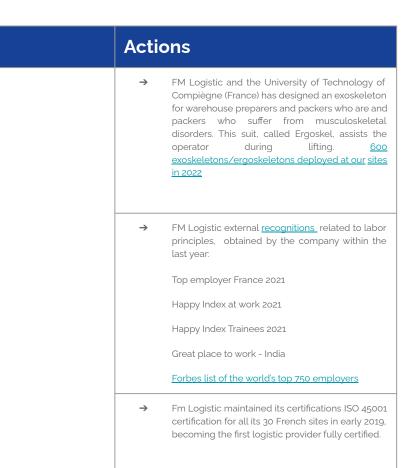






Principle 6: the elimination of discrimination

in respect of employment and occupation.

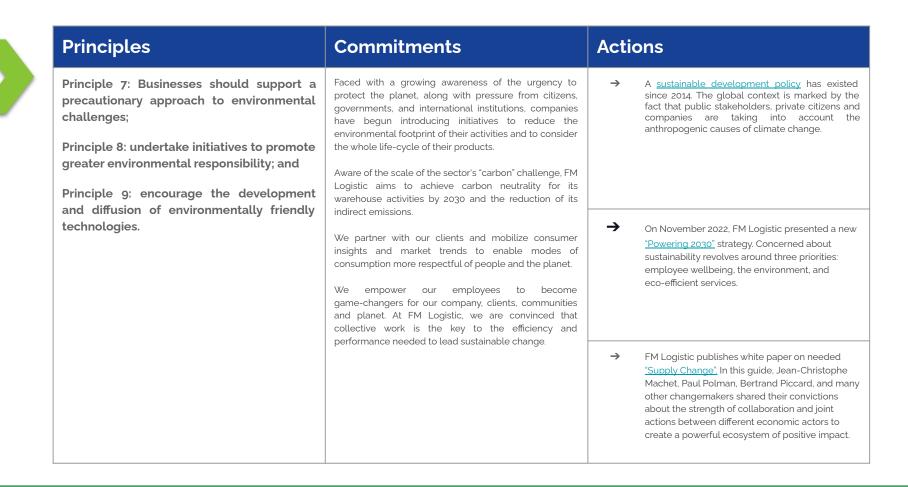




Principles	Commitments	Actions
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<b>→</b>	The Group is currently using <u>virtual reality</u> through a "risk hunt" that allows employees to move around a warehouse virtually: they must pick up the dangers. Their score measures their awareness of everyday risks.
Principle 4: the elimination of all forms of forced and compulsory labor;		
Principle 5: the effective abolition of child labour; and		One of the group's 7 safety management principles is to measure our safety commitment through performance indicators. A dashboard is
Principle 6: the elimination of discrimination in respect of employment and occupation.		filled in every month by the countries in order to have a detailed and consolidated view of our safety KPIs. A reference guide is available to specify the conditions on how to monitor these indicators.



Actions linked to Environment principles





ECOVADIS gold in 2021 - FM Logistic obtained a score 68/100 and, for this reason, has been awarded a gold recognition level. This excellent result includes FM Logistic among the top 5%

performers evaluated by EcoVadis.



footprint, the company has set up EcoTransIT

As the majority of its impacts comes from indirect emissions, FM Logistic provides its customers a dashboard with their own logistics-related carbon footprint, for all clients with a turnover above 800k €. Each client will have free access to its environmental and social data through this

World in all countries.

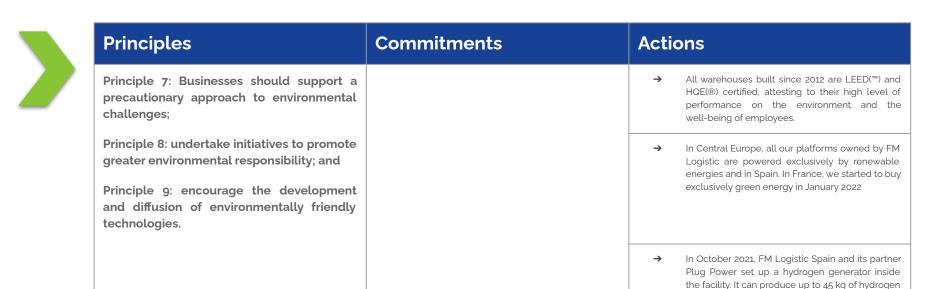
customized dashboard.





completing the first project in Illescas, Spain, FM Logistic has launched H2Hub, an initiative to install 1,500 m2 of solar panels on the roof of a warehouse in Escrennes, France. The green hydrogen produced on site will be used for transport and warehouses, and any surplus will be sold to third parties, such as industries and local authorities. The project is scheduled for

completion in 2022.

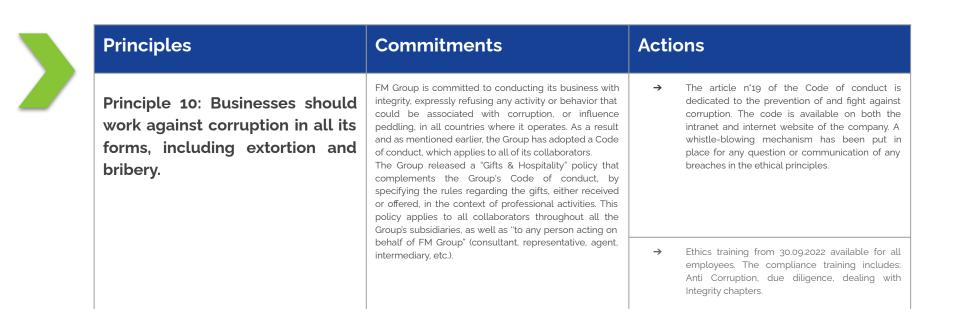


per week. The retrofit is part of a wider plan to produce and use green hydrogen for logistics and

short-distance transport.



Actions linked to Anti-Corruption principle





# Measurements

