SOCIAL AND ENVIRONMENTAL RESPONSIBILITY REPORT 2020

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MANIFEST MAKE JEWELLERY AFFORDABLE TO ALL

ROMAIN PENINQUE - GROUP CEO

Social responsibility towards our clients has always been a priority.

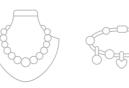
Making jewellery affordable to all has been a mission for THOM ever since its creation. In 40 years, the Group has become the leader of affordable jewellery in Europe via a strong omnichannel brand portfolio. EY-Parthenon pointed this out in 2021 by selecting Histoire d'Or in France as the favourite brand of French people (jewels & watches category). Such an honour needs to be deserved and THOM strives to offer high quality products benefiting from its suppliers' strong commitment in terms of raw material traceability, respect for people and the environment. This commitment is verified by regular audits carried out by independent international bodies.

In 2020 we focused on our employees, who are key to our success.

Our clients are loyal because our employees are highly skilled. Training programs are regularly organized by THOM to enable our teams to meet our clients' needs and offer them first-class services. In France, one of these training programs has even been defined as a qualification. Because of the COVID-19 pandemic, we have had to focus on keeping in touch with our employees through social media and, in each country, to try to minimise the social impact of the pandemic depending on local government measures, for instance by maintaining salaries in France during the 1st lockdown and paying salaries in advance in Italy.

In 2021, we are going to launch the THOM*together* plan to define and increase our commitment for more sustainable jewellery.

Over the last few years and especially in recent months, we have strived to operate while respecting our employees, our clients and the environment. We also wish to take advantage of the new phase marked by a change of shareholders in 2021 to strengthen our commitments and initiate an ambitious CSR strategy via the THOM*together* plan. The priorities of this plan will be outlined by our employees. They will define our road map during the coming 3 years. In addition, the Audit Committee will be expanded to welcome a member specifically assigned to the company's CSR strategy. He/she will be in charge of ensuring the successful implementation of the plan which will be unveiled in 1Q 2022.









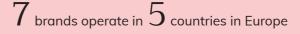


A LEADING EUROPEAN JEWELLERY RETAILER

We are one of the leading European jewellery retailers by number of stores. We hold a strong position in Europe in the affordable jewellery sector. Our product offer essentially comprises precious jewellery, complemented by watches and suit jewellery. We operate mainly in France and Italy, where we hold a leading market position in each national market. Our products are available in our network of 1,007 directly-operated stores, including 526 stores in France (and one in Monaco), 405 stores in Italy, 50 stores in Germany, 25 stores in Belgium and one store in Luxembourg as of September 30th, 2020, as well as on four e-commerce platforms in France and Belgium (histoiredor.com and marc-orian.com), Italy (stroilioro.com) and Germany (orovivo.de). We also have 21 affiliated stores in France.



НĴ OROVIVO SMizze Stroili FRANCO GIOIELLI Marc Orian Histoire d'Or



Histoire d'Or, favourite jewellery brand of French people

1,007 stores

6 e-commerce websites

BENELUX

125 employees (FTE) €17 M in turnover 26 directly-operated stores

FRANCE

2 649 employees (FTE) €427 M in turnover 526 directly-operated stores

THOM'S MINDSET

Our values shared by all of our employees on a daily basis guide each of our actions.

HIGH STANDARDS We are always looking to improve even the smallest details. **TEAM SPIRIT**

Our successes are collective, we work together to achieve enhanced performance and benefit from it.

SIMPLICITY We promote direct relationships and an agile organisation in order to stay efficient.

COMMITMENT We are involved and take responsibility in achieving our ambitions.

BOLDNESS

TRÉSOR

4,623 FTES Worldwide

92% Percentage of women in the Group's workforce

€670 M in turnover

GERMANY 228 employees (FTE) €22 M in turnover 50 directly-operated stores

> ITALY 1 621 employees (FTE) €204 M in turnover 405 directly-operated stores



We encourage initiative in order to remain innovative and successful.

THE CORNERSTONES OF OUR SOCIAL AND ENVIRONMENTAL COMMITMENTS



Governance

Ensuring our model is ethical

 A CSR Group governance monitored by the Supervisory Board

– A governance Charter signed by all the managers of the Group

 A commitment Charter signed by all our product suppliers



Social Responsibility Helping our

employees evolve

– Ensuring continued training and enhancing internal mobility

 Implementing the right conditions to ensure well-being at work

 Guaranteeing equal treatment regardless of the origin, gender, religion sexual orientation and opinions of our employees





Environmental Responsibility

Reducing our environmental impact

– Offering our clients sustainable products

- Striving to optimise product, packaging and waste recycling

 Improving the energy efficiency of our administrative and logistics buildings, as well as of our points of sale

THE KEY DATES OF OUR SOCIAL AND ENVIRONMENTAL COMMITMENTS



Our governance charter signed by all the managers of the Group sets out the rules on

- spending,
- transparency, equity and loyalty in relations with third parties,
- knowledge of current procedures and regulations in force,
- awareness of social and environmental stakes.



The CSR Committee

Today, the CSR committee reports to the Finance Group. As part of the THOM together plan, a new dedicated Governance will be established. The Group's Supervisory Board has decided to expand the powers of the Group's audit Committee to include monitoring the Group's CSR commitments.



THOM







THOM*together*, A CSR PROJECT COMMENSURATE WITH OUR SOCIAL AND ENVIRONMENTAL **STAKES**

INTERVIEW - MAURICE TCHENIO CEO of Altamir, THOM's reference shareholder

2021 has been a strategic year for THOM. You have become a reference shareholder, the management board has increased its interest quite significantly, there have been new investors and THOM has been refinanced.

M.T.: THOM's story is a story of loyalty. THOM remains faithful to its values and mission, making jewellery affordable to all. Our clients are loyal to us, and we count, each year, 2 million new subscriptions to the loyalty programs of our stores all over Europe. Shareholders have also been loyal to the Group for many years: I have been a shareholder of the Group since the 1990s; Bridgepoint, the former reference shareholder, still invests in THOM now through a loan and its management board holds a major part of the Group's capital today. Lastly, our creditors have also been loyal to us, some of them from the very beginning. We are all keen to give special emphasis to the investment period that is now starting, in particular by making strong commitments to our CSR targets.

What are these commitments in real terms?

M.T.: The Group's management seeks to place employees at the heart of its CSR commitment with the help of our shareholders. I can reveal that the first step in the THOM together plan will be to create an employee investment fund (FCPE), which will allow employees to invest in THOM. The Group will ensure that this opportunity is available to all employees in every country.

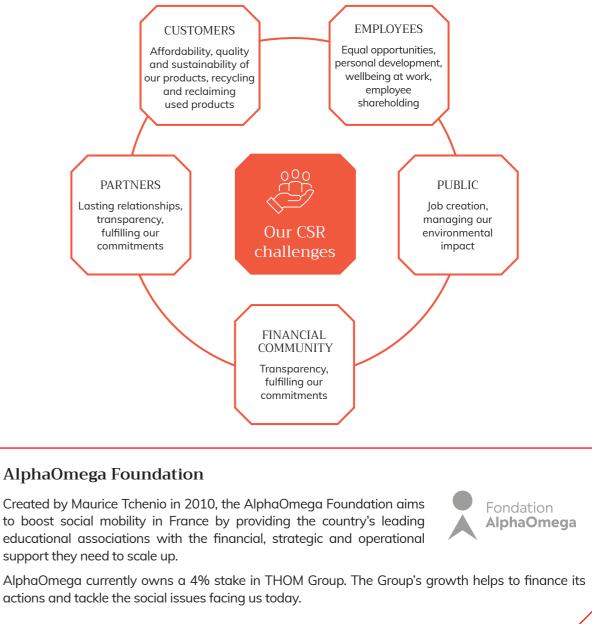




Furthermore, THOM will also contribute to their investment. It is essential for the Group that the people working for it also develop as the Group grows. The THOM together plan will be defined by the employees themselves. They will be consulted in order to identify the plan's objectives and set out our roadmap for the next 3 years.

What will your role be?

M.T.: Our role will be to ensure that the plan is successfully implemented. The Supervisory Board has expanded the Audit Committee's power to include overseeing the Group's CSR roadmap. A dedicated CSR governance will be put in place to manage the operational aspects of the THOM together plan. This is a key focus for employees, management, and shareholders. The Group's social mission — making jewellery affordable for all — must be carried out for the benefit of all.



AlphaOmega Foundation

support they need to scale up.

actions and tackle the social issues facing us today.

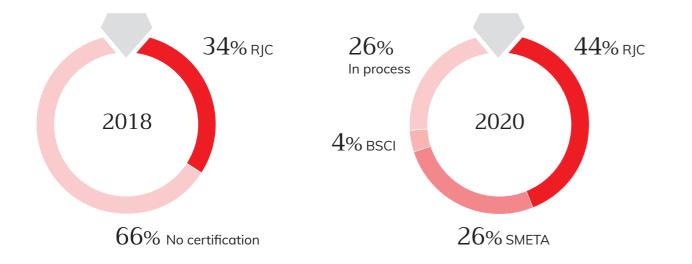
⁶⁶ My dearest wish is to help the charitable sector structure itself to multiply its social impact."

Maurice TCHENIO

GUARANTEEING A RESPONSIBLE SUPPLY CHAIN

In 2020, 74% of our purchases were made from suppliers that are certified according to the world-class international standards: RJC, SMETA, BSCI.

Since 2019, THOM has adopted a policy of ensuring that all of its suppliers are certified. Our suppliers are audited before we start working with them by independent and recognised auditors (Bureau Veritas, QIMA). These bodies evaluate all of our suppliers at least once every two years. In addition, THOM teams are free to audit suppliers themselves on a regular basis and without prior warning.





Since 2018, all of our suppliers sign a charter in which they undertake to:

- Comply with local and international law
- Respect people in line with the principles of the UN Global Compact, 8 Fundamental Conventions of the International Labour Organization (ILO), and the ILO Declaration on Fundamental Principles and Rights at Work
- Respect the environment by complying with national and international regulations aimed at protecting the environment (to limit negative effects on ecosystems, conservation areas, and natural flora and fauna)
- Fight against corruption

We take care to ensure the traceability of our raw materials.

Our diamond suppliers comply with the Kimberley Process, the only recognised international stone traceability scheme. Our suppliers guarantee the accuracy of the information provided concerning the diamonds used in products as well as the authenticity of the accompanying certificates. Any problems identified in relation to a diamond over a period of 10 years (characteristics, origin, authenticity, or the existence of defects or flaws) will be presumed to arise from non-compliance and will be the sole responsibility of the supplier.



A RESPONSIBLE MODEL OF CREATION OF VALUE









PROMOTING OUR EMPLOYEES' DEVELOPMENT THROUGHOUT THEIR CAREER.

THOM ensures all their employees working in the stores, head offices and logistics departments can benefit from training programs and constant support to enable them to fulfil their potential, from the time of their recruitment onward and throughout their career.

- Every employee benefits from a customised on-boarding program.
- Regular training courses are provided to help them enhance their skills, stay up to date with job evolution and work their way up to management roles.
- Professional mobility is encouraged.

This kind of support promotes the employees' operational excellence, which is part of THOM's DNA.

Training programs which are easily accessible, regularly updated and adapted to everyone.

THOM Académie, a school within the Group, which was created in 2012, demonstrates the Group's commitment to employee training. With over 700 m² dedicated to learning, THOM Académie organizes in-person training programs for more than 2,000 employees every year.

For network employees

The Group's skills development plan provides support for all the jobs, from Sales Consultant to Store Manager, and relies on several training tools. Initially developed in France, it has been gradually deployed to all the Group's staff. Employees can pick a training theme: job, management or personal development. Overall, they can choose from around fifteen themes.

In 2020, faced with Covid-19, specific courses were added to the training catalogue, most of them through e-learning:

- Safety procedures
- Disseminating health regulations
- New services connected with digital transformation
- New business tools

For head office employees

A skills development plan is offered to all head office employees. It includes job, office equipment, linguistic, management and personal development training courses. All our managers benefit from a management training program. To anticipate and respond to the evolution of jobs in the support services, a specific budget has been allotted to train employees affected by the adoption of new business tools (SAP, WMS, Teams, OneNote, etc.).



At THOM, internal mobility and promotion offer a full range of opportunities.

Internal mobility is limitless at THOM. Our CEO, Romain Peningue, began his career within the Group... working in a store. Everything has been put in place to allow anyone to progress in their career development.

The Group has mapped all its jobs, career paths and opportunities for mobility. A new digital portal dedicated to mobility was presented to employees in 2020.

Several specific training programs have been implemented to make internal promotion easier. For instance, the sales assistant training program, which lasts 2 years, combines digital and in-person learning in the THOM Académie and practical training in stores. The aim is to offer structured and gradual skills development.

Every year, around 15% of THOM's employees benefit from functional mobility within the Group. All positions are concerned.

Training in the Group (except for safety training)

The decrease in the number of trained employees is a direct consequence of the health crisis and the temporary lockdowns of points of sale.

31.147 Number of training hours provided in 2020

100% of our staff benefit from our safety training

THOM helps young people have access to the job market and supports elderly employees.

The Group strives to make access to the job market easier for young people and offers them support and development programs (sales assistant program, for instance).

The Group has implemented an action plan for employment of elderly employees (+50). This action plan aims to retain elderly employees by developing their employability and securing their careers:

- Prevention of occupational work risks
- End-of-career planning
- Know-how promotion through transmission of knowledge and skills to junior employees

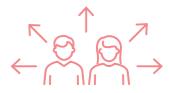
23% Percentage of employees under 25*

450 trainees on average each year *

* French perimeter data



⁶⁶ Our Training policy is based on a firm belief: our employees are the key to success".



Percentage of trained employees with a permanent contract		
	2019	2020
France	67%	38%
Benelux	100%	48%
Italy	76%	77%
Germany	71%	53%



80 people attending work-study training programs hired each year on average *

13% Percentage of employees over 50 *

EMPLOYEES' SAFETY AND WELL-BEING

THOM cares about their employees.

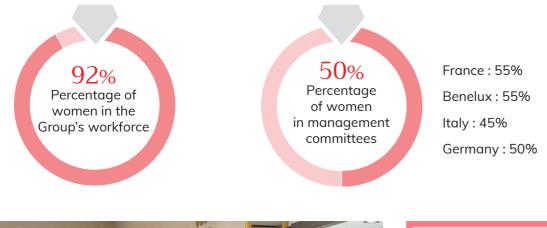
Safe workplace for employees. Our stores are located in areas which ensure our employees' safety. This proactive strategy has frequently led THOM to close stores in which a deteriorated environment might have jeopardized our employees' safety. Moreover, all the Group's newly hired employees benefit from a training course on risks and safety good practices.

Preventing psycho-social risks. A support plan was put in place around twenty years ago in France. It will be deployed in the other countries of the Group. THOM has teamed up with a specialist for harassment prevention, crisis management and dealing with situations of suffering and traumatic events.

Prevention of accidents at work. All of THOM's employees attend a training course on recruitment by the Group. The internal Control department - in partnership with all the Group's and partners' services - has built a risk map (falls, fires, manipulations, etc.) in order to cope with risk management and implement corrective measures.

Well-being at work. We have launched a collaborative project, WeTHOM, to imagine tomorrow's work environment and improve efficiency and well-being of our employees.

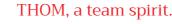
THOM, women to the fore.







OROVIVO



The launch of the Yammer social network within the Group in March 2020 allowed everyone to share their professional and personal news, their initiatives and results. Yammer has helped implement measures to manage health crisis (enhancement of digital activities, support from the teams in stores for the development of e-commerce, solidarity initiatives, preparing for reopening the stores, remote training, contests, challenges, quizzes, etc.).

50% Percentage of employees who have subscribed to the Yammer network (2,300 members)

1,900 active members over the last 12 months

8,000 posts by members

700,000 comments and interactions between Yammers



A RESPONSIBLE MODEL OF CREATION OF VALUE

REDUCING OUR ENVIRONMENTAL IMPACT

Offering sustainable products.

In 2019, THOM developed a strategy to improve the sustainability of its products so as to encourage more responsible consumption and reduce its environmental footprint. This strategy is based on 4 cornerstones:

- Suppliers' qualification according to technical and environmental criteria ensuring their capacity to manufacture sustainable products.
- Definition of technical specifications aiming to ensure the solidity and therefore the durability of products, for instance: solidity of chains and clasps, quality of the setting, metal finish, etc. Product returns due to quality issues have decreased by 16% in 2 years.
- Quality control on site at the end of production. In 2020, 100% of production was subject to quality control by suppliers and around 5% of products were subject to additional inspections carried out by THOM. Our target is to reach 10% of additional inspections in 2022/2023.
- In-depth and regular analysis of flaws or weaknesses observed in real situations by our teams and clients, with resulting quality production improvements.





Reusing faulty or unsold products.

THOM has developed a network for reclaiming faulty or unsold products which relies on:

- their suppliers: reuse of metals and stones in new productions;
- + their stores: fixing of faulty products returned by our clients; recovery of damaged products (gold watches and jewels);
- A network of partners who collect and recycle used watches and jewels. In 2019, THOM developed a partnership with Eco-Tempo, a key player committed to the social and solidarity economy. THOM thus wishes to promote sustainable development through the preservation of resources and the reuse of raw materials. Through this partnership, THOM will benefit from a specific network for the reprocessing of used watches and jewels.

Reducing the energy consumption of points of sale.

THOM has initiated a process to reduce the energy consumption of its points of sale. Switching to energy-efficient lighting has been the main measure implemented over recent years. The first LED lights were installed in France in 2014. Seven years later, we have managed to reduce lighting energy consumption by 29%, while increasing spotlights' lifespan by several years. Today, 60% of our stores in France and the Benelux are equipped with energy-efficient lighting. This also applies to almost all the stores in Italy and over half of them in Germany.



A RESPONSIBLE MODEL OF CREATION OF VALUE







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