











FRAIKIN / CSR REPORT 2022

CSR REPORT 2022 \ FRAIKIN

### 2022, NEW ENERGY



In order to strengthen the Fraikin Group's position as European leader in the rental and management of industrial and commercial vehicles, I appointed a new Group Executive team (ExCom) in the months following my arrival in July 2022.

Responsibilities have been redistributed amongst the Extended ExCom, with the integration of two new Departments, respectively in charge of Legal, Compliance Auditing, and Quality on the one hand, and the Digital Strategy on the other, namely in order to accelerate the implementation of our new Focus 24 plan.

With 60,000 vehicles operational across 10 countries, our Group manages the largest European fleet of industrial and commercial vehicles in terms of volume, but also manages the most technical and diverse fleet.

Our ambition is for Fraikin to be the go-to expert partner on a daily basis for our 6,000 clients, spread across 6 key business sectors, which are namely logistics, construction, environment and energy, retail, agri-food, healthcare, and public local authorities

Our "full services" approach is based on improved attention to the current and future needs of our clients, in order to anticipate and consider the level of operational excellence required to support them in determining the composition of the fleet and the optimisation of their management.

"The completion of 3,000 jobs per day, thanks to a network of 7,000 partners, makes the Fraikin Group an essential link in our clients' value creation chains."

The culture here at Fraikin Group is built on its values of integrity, responsibility, and transparency. As a leader, we are committed to being a high-performance, driving force for the pillars of CSR. This 2022 report illustrates this commitment in actions.

### The environment

Since the Covid-19 pandemic, and more recently since the war in Ukraine, we've all been given a stark reminder of the extreme volatility of energy and fuel costs, but also of the need to accelerate the decarbonisation of our sector, in light of global warming. The energy essential to our work is also precious and multifaceted. Our commitment is to adopt a proactive approach and to support our clients with our sound expertise in regard to energy transitions.

#### **Human assets**

The energy of our teams is essential to continuing our mission to achieve our goals and ensure the success of the company. Also, we're constantly investing and developing this asset to create a stimulating and positive environment where everyone can thrive. Fraikin wants to be a modern, attractive and inclusive business that generates good loyalty amongst its teams, particularly through recruiting young talents and helping them to thrive and grow in their careers.

#### Societal responsibility

Being a leading actor in our sector commits us further to our responsibility with regard to matters of ethics, compliance, and risk management, both internally and within the context of interactions with third parties (our clients, our suppliers, our partners).

Over this document, we have summarised the actions implemented by the Fraikin Group over 2022, in terms of CSR and our areas for improvement, our prospective view of the changes to come in our value creation chain.

Happy reading,

Yves Petin



### **OVERVIEW**

#### PAGE 4

OUR BUSINESS MODEL INCORPORATED AROUND THE 3 LIVES OF VEHICLES

#### PAGE 6

OUR GOVERNANCE HIGHLIGHTS IN 2022

### **PAGE 10**

**CSR IN ACTION** 

### **PAGE 12**

PILLAR 1: ENVIRONMENT AND ENERGY TRANSITION

#### **PAGE 26**

PILLAR 2: OUR KEY ASSET: OUR PEOPLE

#### **PAGE 34**

PILLAR 3: ACTING RESPONSIBLY

#### **PAGE 42**

PERSPECTIVE(S)

### **PAGE 44**

**INDICATOR TABLE** 

FRAIKIN / CSR REPORT 2022 / OUR BUSINESS MODEL OUR BUSINESS MODEL \ CSR REPORT 2022 \ FRAIKIN

### **BUSINESS MODEL INTEGRATED** AROUND THE 3 LIVES OF VEHICLES

**RELIABILITY RESPONSIBILITY**  **LEADERSHIP** 

**EXPERTISE** 

**SOCIAL & TRANSITIONAL CHALLENGES** 

**CLIMATE & ENVIRONMENTAL CHALLENGES** 

**ECONOMIC & REGULATORY CHALLENGES** 

### **RESOURCES**



#### **11,200** clients

7 key markets Transport & logistics - Construction Environment - Retail & Healthcare Distribution - Local authorities Chilled Goods & Agri-food



### OUR LOCATIONS

#### **10** countries

France, United Kingdom, Belgium, Luxembourg, Switzerland, Germany, Italy, Netherlands, Spain, Poland



### NFRASTRUCTURES

#### **60.000** vehicles

- 54,600 own vehicles,
- 5,400 in fleet management

Dry, refrigerated, hydro-powered, special.

#### 165 branches

• including 123 with workshops in France



**ASSETS** 

### **3,150** employees

- 180 sales representatives
- 975 technicians

Support roles: Managers in Analysis, Finance, Purchasing, CSR, Innovation, and HR

Fleet management and operations

Management careers

#### In-house design office:

- 18 engineers
- 7,000 analyses conducted



### **SUPPLIERS**

Chassis & pneumatics - Chilled & dry Equipement - Semi-trailers



### **ECOSYSTEM**

### **Decarbonisation Business Partners**

- Refuelling & biofuel
- Electric charging terminals
- Plus: Last mile

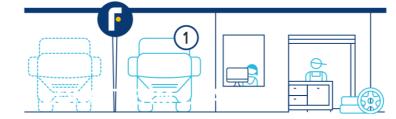
#### Institutional Partners

- Transport and logistics federations
- Energy authorities
- Regional
- In all countries



### **LONG-TERM LEASING**

FULL SERVICES — 40,000 VEHICLES — 5 YEARS



SHORT- & MEDIUM-**TERM LEASING** 



20000

**VEHICLES** 

2 YEARS

**RESELLING AS SECOND-HAND VEHICLES** 



**VEHICLES** 



### **OUR CLIENTS**

ADDED VALUE CREATED

### **Full Services**

Rental - After-Sales Service -Insurance Replacement

### Additional services:

- Fleet management (repairs, maintenance, rental with driver)
- Digital (route management, telematics, BtoBtoC rental management)

### **Consulting: Fraikin Business Solutions**

- Fleet audit
- Business development

### ISO 9001



### **FOR OUR EMPLOYEES**

**1.807** training courses delivered

14% women within the network.

**50%** women at head offices.

**85/100**: Ega Pro INDEX

**95%** permanent contracts

**Great place to work: Poland** ISO 45001 in the UK



### **FOR THE ENERGY** TRANSITION

#### Innovation

- Energy Transition
- Fraikin Lab
- Carbon compensation My Planet with Wenow

### Consultancy: Fraikin **Business Solutions**

- Fleet plan
- Ontimisation
- Technological choices
- Cog Bleu: Innovation Giraudon bodywork

ISO 14001 Spain, Italy, **United Kingdom** 



Training:

### **THE COMPANY**

### Fraikin Safety Academy

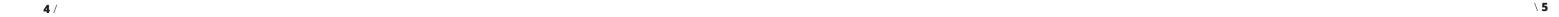
- Introduction to alternative vehicles • Eco-driving

**100%** OF THE Purchasing team trained in sustainability

Responsible Purchasing Guidelines **Ethics Guidelines and** 

Anti-Corruption Code of Conduct





FRAIKIN / CSR REPORT 2022 / GOVERNANCE GOVERNANCE \ CSR REPORT 2022 \ FRAIKIN

### **OUR GOVERNANCE HIGHLIGHTS IN 2022**



Alain-François Pialat HR and **Communications** Department



Caroline **Bousquet** Legal and Compliance Department



Frédéric D'Ussel Finance Department



**Ronan Bourgain** Director of Strategy and Development



Edward Breedveld Digital Department



**Yves Petin** Group CEO

### ·NATIONAL ROLES



**Ronan Bourgain** Director of International



Olivier Renard CEO France



Peter Backhouse CEO United Kingdom



Marti **Batalle** CEO Spain



### **CAROLINE BOUSQUET**

Director of Legal, Compliance, Audit and Quality, and member of the ExCom

" A change in governance that gave me more influence with CSR."

In 2022, the reins were handed over at Fraikin. What were the main points? When he took up the reins in 2022, our new CEO, Yves Petin, made some major changes to his executive team and overhauled the composition of the Group's Executive Committee. A Digital Strategy Director was namely recruited in order to complete the palette of digital services on offer to our clients.

In order to guarantee the continued growth of the Group and its longevity, the stance and role of the Legal and Compliance Department, which already incorporated CSR, along with the Auditing and Quality Department, have been reinforced with the creation of a single Department. This new Department now reports to the Group's CEO and chairs the Group's Executive Committee.

### What was the cause behind this change in governance, regarding social and environmental responsibility (CSR)?

The integration of the Group's Executive Committee allows for a 360 view of issues, enabling the Group to anticipate and to thus get support from the CEO and its executive teams to drive and push topics forwards, particularly CSR. The CSR protocol is built progressively within the Group. After having raised awareness of the BoD - France and having presented the challenges and the road map, we created a dedicated CSR committee. Led by the CEO, it brings together the Departments making key contributions to the CSR approach. A specific budget is validated each year and decisions are made by

a vote. Regular discussion sessions held by the Extended Executive Committee with the heads of the Group's various subsidiaries are organised to allow for conversations to be had around the challenges posed by CSR and the next steps moving forward.

CSR reference points have been appointed within each subsidiary. The aim was thus to put together a Group CSR Committee in order to tackle the protocol with improved structured, with a view to preparing measures to ensure compliance with the various European directives applicable to the Group, such as the CSRD or taxonomy.

This new organisation also aligns with these new standards, which aim to implement consolidated reporting within corporate groups.

### How is the Focus 24 strategy contributing to this new approach?

The Focus 24 strategy, deployed in the second half-year period of 2022, aims to firstly fortify the basics of operational excellence, with a view to then facilitating the acceleration of the development of the fleet's decarbonisation, enabling the Group's European expansion, and thus securing the Group's profitability for the long term.

Fraikin's business model has been built around the 3 lives of vehicles. We have the vehicle corresponding to the operational needs of our clients built custom, and we provide them for an average term of 4 to 5 years. This vehicle will then be used in the short or medium term to respond to activity spikes or temporary needs. It will then be more or less quickly put up for sale on the second-hand market.

Within the current context of energy transitioning, our role is to support clients in their selection of a vehicle's fuel and specifications. If the final choice is down to then, we actively promote less-polluting mobility solutions, our interest being to have a fleet that is made progressively greener.

Our aim is to create value, both for our clients and our shareholders alike, by renting our vehicles at competitive prices, optimising our branch network and team productivity, and efficiently managing the elimination of accidents for our fleet. The increase in accidents entails an excess cost for the client, so as to encourage them to adopt more virtuous behaviours on the road.



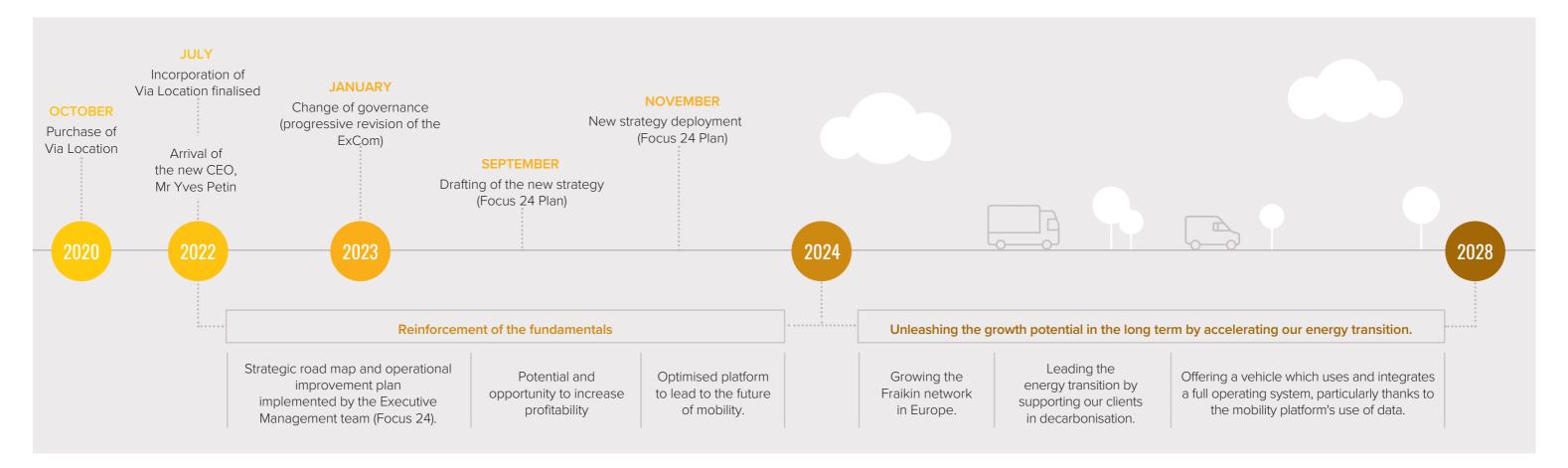
FOR FURTHER INFORMATION Listen to the "Un déj' à la DJ" podcast with Caroline Bousquet.

\ **7** 

FRAIKIN / CSR REPORT 2022 / GOVERNANCE

GOVERNANCE \ CSR REPORT 2022 \ FRAIKIN

### KEY DATES FROM 2020 TO 2028





### INCORPORATON OF VIA LOCATION

In October 2020, the Fraikin Group announced the acquisition of the Via Location Group, a market expert in the rental of commercial and industrial vehicles, bolstering the new entity thus composed of:

- A denser network of branches closer to our clients.
- A generous product and service offering, thanks to skill synergies.
   In particular, 6,000 vehicles (40% LCV and 60% CV) and 1,000 have been transferred, along with industrial bodywork, Giraudon, at the origin of key innovations in the optimisation of the payload.
- A service that has been further improved, through the standardising of technical and human resources (harmonisation of practices, training for 72 new managers, etc.).

Finalised in July 2022, this merger enabled the Fraikin Group to bolster its position as leader in the full services rental of industrial and commercial vehicles on the French market.



FOR FURTHER INFORMATION

Watch the intro video for Giraudon bodywork.

### FOCUS 24: A NEW STRATEGY FOR FRAIKIN

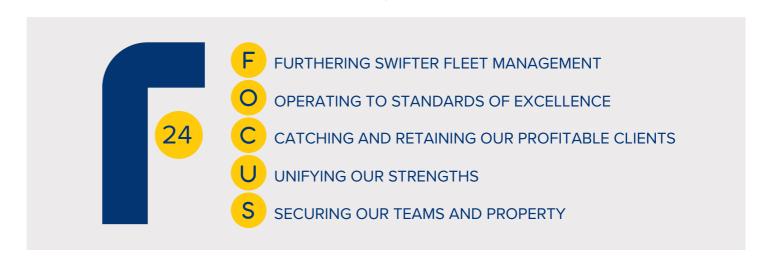
In 2022, Fraikin implemented a new strategy, entitled "Focus 24", with a progressive roll-out extending until 2028.

The aim is to create value for all of the Fraikin Group's stakeholders: Its clients, its employees, its shareholders, its suppliers...

#### This strategy is built on 2 key concepts:

- Reinforcing the foundations of operational excellence; then
- Developing fleet decarbonisation and accelerating the Group's growth in Europe.

The implementation of the Fraikin Mobility Platform is designed to contribute to the acceleration of the energy transition whilst also guaranteeing optimal use of vehicles.



8 / acksim

FRAIKIN / CSR REPORT 2022 / CSR IN ACTION

CSR IN ACTION \ CSR REPORT 2022 \ FRAIKIN

### **CSR IN ACTION**

The transport sector is one of the top sources of greenhouse gas (GHG) emissions and, as a European leader in the rental of professional vehicle fleets, Fraikin is aware of its corporate responsibility in this regard.

Acting on this responsibility, in 2022, the Group incorporated CSR into the heart of its governance: A dedicated body reporting to the CEO was established, including an internal reference network to raise awareness, delivery training, and implement a continuous improvement protocol, all in the aim of bolstering Fraikin's compliance and establishing the Group as a role model in the transport sector for social, economic and environmental challenges.

As we believe that CSR entails an opportunity for value creation, our aim is to promote our employees' investment and commitment to the 3 pillars to increase our competitive leverage.



### ANAÏS BENTOLILA

Director of CSR, Innovation and Corporate Legal Expert Fraikin Group.

"Here at Fraikin, our vision of the role of CSR involves going above and beyond simple compliance with regulations, aiming to incorporate it into the company's overall strategy.

Our CSR action leverage points rely on engagement and healthy dialogue within our ecosystem. We need to innovate to find low-carbon solutions, and we also need to get our clients on-board with this sustainable approach.

To achieve this, Fraikin is focusing on our collective performances, through training and ensuring the well-being of each and every employee. To succeed, we need an integral and transparent progress-focused approach, applied across the Group as a whole."

### OUR CSR POLICY IS BUILT ON 5 KEY FOCUSES:



### **OUR FRAMEWORKS AND CERTIFICATIONS:**

Within the Group, each region decides on the certifications and labels that it wants to obtain.



**Great Place To Work:** 

Poland



Coq Bleu BPI France

France



**ISO 9001** 

Quality management

Spain France Italy United Kingdom



ISO 14001

Environmental management

Spain Italy United Kingdom



ISO 39001

Road safety management system

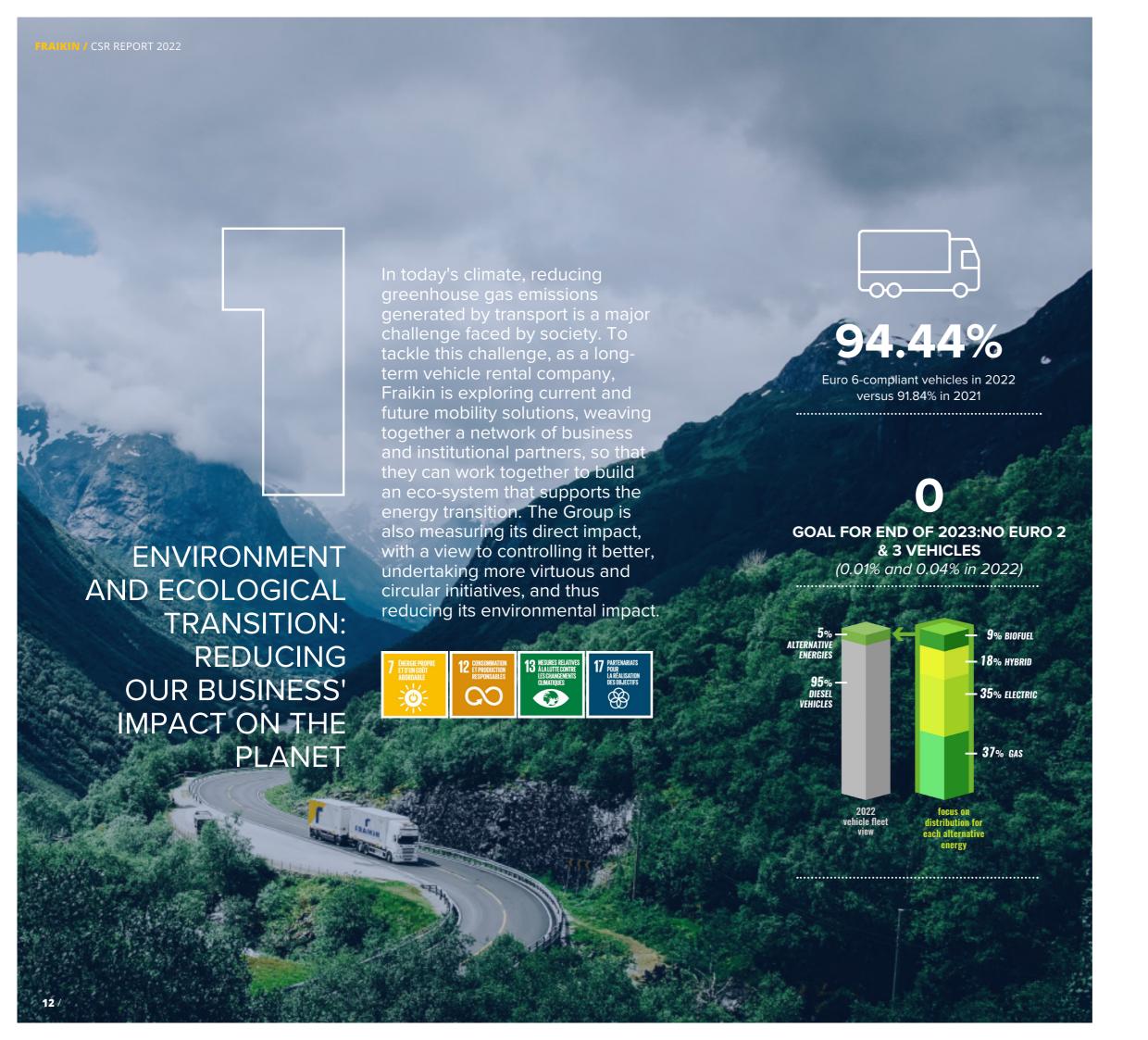
Spain



ISO 45001

Occupational health & safety management system

Spain United Kingdom



### **OVERVIEW**

### **PAGE 14**

COMMITTING TO THE ENERGY TRANSITION

### **PAGE 16**

SUPPORTING OUR CLIENTS
WITH THEIR ENERGY TRANSITION

#### **PAGE 18**

CONTRIBUTING TO THE DEVELOPMENT OF A SUSTAINABLE ECOSYSTEM

### **PAGE 20**

OPTIMISING OUR ENERGY CONSUMPTION

### **PAGE 22**

PRESERVING RESOURCES
AND PROMOTING CIRCULARITY

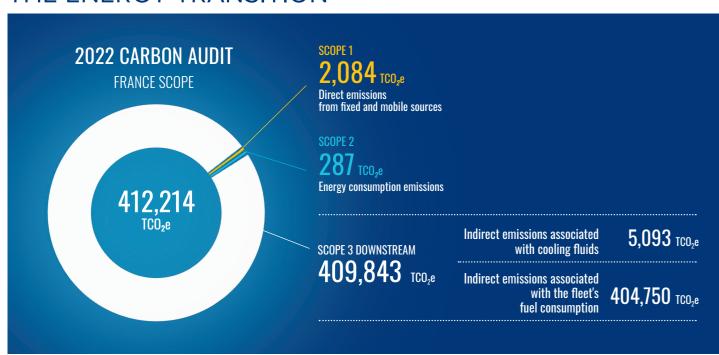
### **PAGE 24**

THE IDEAL BRANCH

FRAIKIN / CSR REPORT 2022 / OUR ENERGY TRANSITION

OUR ENERGY TRANSITION \ CSR REPORT 2022 \ FRAIKIN

# COMMITTING TO THE ENERGY TRANSITION



# Fraikin France has been conducting carbon audits since 2021 and has integrated part of scope 3 into its calculation

As a long-term rental company, Fraikin provides its vehicle fleet to its clients. The greenhouse gases emitted during use of the vehicles are generated directly by Fraikin's clients. Yet, these emissions are included under scope 3 of Fraikin's carbon audit, counted as indirect emissions. This scope 3, which Fraikin is currently under no regulatory obligation to include, accounts for the company's upstream and downstream emissions. Also, in order to gain an overall vision of the impact of its fleet, Fraikin has included the following in its scope 3 since 2021:

- The fuel consumption of the rental vehicles;
- Fugitive emissions from cooling fluids in the rental vehicles.

It should be noted that, as stands, Fraikin's scope 3 calculation is not exhaustive. It has not yet been possible to comprehensively measure the upstream sections (namely the impact of vehicle manufacturing) due to a lack of sector-specific indicators available and/or standardised.

14

### Succeeding in decarbonising Transport: A collective challenge

Fraikin's reduction of scope 3 emissions is underpinned in France by the LOM Act — the 2019 French Mobility Orientation Law — as well as the 2021 Climate and Resilience Law (see regulatory insert). This reduction initiative is part of a decarbonisation goal, which has been set for the entire transport sector for 2050. These goals, which are implemented alongside the necessary energy and ecological transition of our companies, can only be achieved through the joint efforts of all stakeholders across the sector, from upstream (impact of vehicle manufacturing) to downstream (reducing GHG emitted by land transport). Fraikin is committed to a reflective process and initiatives that align in this sense with its suppliers, its clients, and its various institutional and business partners.

25%

**Transport** is responsible for 25% of the EU's total CO2 emissions.

(2019, figures from European Parliament)

To succeed in Europe's decarbonisation of the transport sector by 2050, the entire ecosystem needs to get to work, in order to incorporate the impact analysis across vehicles' entire life cycle.

Geoffroy de Maupéo
Director of Purchasina at Fraikin Gro



Created in 2018, this team is dedicated to advising the company in regard to the energy transition. It therefore has the role of identifying viable lowcarbon solutions, so that the benefits can be shared both internally within the Group and externally (with clients, partners, etc.).

### Role and responsibilities

FRENCH

- Providing the necessary expertise to Fraikin's clients so that they can incorporate energy transition and compliance issues into their strategies.
- Providing Fraikin's sales forces with the necessary required methodology, expertise, and material to allow them to effectively support clients.
- Establish Fraikin's position on the institutional stage as an exemplary player in the transport sector's transition, by ensuring the company's presence at national and regional events.

### **Regulatory framework**

France's decarbonisation trajectory has initially been set out in the European framework:**The EU Climate Package** ("Fit for 55") sets goals for reducing CO<sub>2</sub> emissions by 55% by 2030.

The 2019 French Mobility Orientation Law (LOM) stipulates that the sale of any light commercial vehicles and passenger vehicles running on fossil fuels will be banned by 2035. On top of this, it also targets total decarbonisation of the land transport sector by 2050.

The 2021 Climate and Resilience Law extends the ambition of the LOM Law to lorries > 3.5 T and targets 18% low-emission vehicles by 2025 and, by 2040, the discontinuation of the sale of heavy goods vehicles which run on mostly fossil fuels.

### A Coq Bleu for Fraikin

entrepreneurs committed to supporting the energy transition.

In 2022, Giraudon, Fraikin Group's bodywork division, was awarded the Coq Bleu by the La French Fab by BPI France.

This project brings together French economic actors which are committed to the development of French industry, particularly with regard to innovation. The aim is to highlight Fraikin's industrial innovation in the field of bodywork. **2023 goal:** Obtain the Coq Vert, which brings together a community of

dedicated people within the innovation team and a network of 15 national correspon-

dents.

\ 15



### SUPPORTING OUR CLIENTS IN THE ENERGY TRANSITION





### How is the Fraikin Business Solutions team supporting the energy transition of both Fraikin and its clients?

Our team offers a comprehensive support programme, consisting of modules that our clients can activate as necessary for their requirements. This applies from the acculturation phase right up to the completion of a detailed audit of the fleet and the optimisations possible through recommendations. The starting point is always the accurate measurement of the current state of affairs, in order to develop and improve the fleet type and productivity of each vehicle. To do this, we use our "My Smart Fleet" telematic solution: Consumption, driving style, etc. We use this data to guide our actions. Next, we train our clients in getting started with their new fleets, in order to allow them to make optimal use of them.

Lastly, we create a 5-year vision for the development of the fleet, basing it on the

### "Our role is to propose value"

strategic challenges and constraints faced by the client (refuelling options, for example). We also incorporate the regulatory aspects applicable to the client.

### How are you approaching the energy transition?

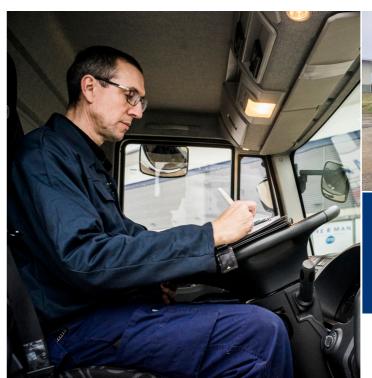
We believe that there isn't just one single solution for the energy transition, and that looking at it as a question of vehicle type will not be sufficient. It's through the energy mix — which responds to various uses and contexts — and through the deployment of different additional delivery methods (HGVs, LCVs, cycling logistics, etc.) that we'll move towards decarbonisation. The question of refuelling therefore represents a major aspect. ON this topic, we're building partnerships with both key structures and start-ups alike, in order to multiply the solutions offered to our clients. Our role is to propose value.

### What are the keys to success for the Fraikin ecosystem's energy transition?

Putting people at the centre of the driving force for change across the entire value chain, by raising awareness, providing training, and challenging the development of transport uses! Each and every one of us is responsible for adopting more sustainable behaviours, from delivery professionals to their BtoB clients and their end customers. Understanding the challenges faced is essential.

Here at Fraikin, the way we run our business is based on a proactive and reactive approach, enabling us to reduce time-to-market when we have a new idea. To manage this, we monitor developments (regulations, manufacturers, etc.), and we actively take part in national and regional events. Lastly, we integrate the advantages of telematics and closely monitor the role of AI (Artificial Intelligence) in our sector for the coming years.

### SERVICES TO SUPPORT VEHICLE SELECTION AN TO OPTIMISE VEHICLE USE BY FRAIKIN CLIENTS







FOR FURTHER INFORMATION

How to choose the right fuel for your vehicles and succeed in your energy transition

Our white paper tells you everything you need to know.



### Fraikin Lab is testing the vehicles of tomorrow

Following a protocol which closely aligns with actual use, for both driving and loading, the Fraikin team tests 4 to 5 new vehicles each year. These tests are conducted prior to the release of new vehicles or prototypes and are renowned in the sector for their independence from manufacturers.

Consumption, safety, comfort, environmental criteria, and versatility, an analysis grid comprising 5 key points offers Fraikin's clients an objective choice comparison tool. Fraikin Lab also reviews the option of **retrofitting**, which consists of replacing the combustion engine of a vehicle with an engine running on alternative fuels (electric or hydrogen) and is part of a circular and decarbonised process.

**electric vehicles** tested by the Fraikin Lab team in 2022 (LCV and HGV).

### Using digital solutions to boost performances and reduce impacts

The My Smart Fleet telematic tool allows for client fleets' CO<sub>2</sub> emissions to be more accurately measured, forming an essential basis for any optimisation. As for My Route, it is a solution that enables the organisation, planning, and optimisation of client routes, taking into account regulations (e.g. LEZ) and the client's business restrictions. The software solution and driver app are accompanied by a dedicated planning team.

**The aim?** To reduce the environmental impact of each vehicle by optimising route mapping: Vehicles can make more deliveries whilst covering fewer kilometres.

**Optimising route mapping allows for an increase** of up to 30% in the number of deliveries made per vehicle.



### Fraikin Safety Academy, training to sustainably transform our fleet

This programme, launched by Fraikin for its clients, aims to help drivers get to grips with vehicles, particularly alternative vehicles. Through this ecodriving training, clients can ensure that their more virtuous fleet is used under optimal safety and consumption conditions.

Eco-driving allows for fuel savings of up to 30%.

\ **17** 16 /

# CONTRIBUTING TO THE DEVELOPMENT OF A SUSTAINABLE ECOSYSTEM

Ensuring that the land transport sector's energy transition is successful is a collective challenge. Fraikin works alongside historic partners as well as start-ups with disruptive approaches. The Group also attends various international, national, and regional events.

# BUSINESS PARTNERSHIPS:SUPPLEMENTING THE SERVICE OFFER IN SUPPORT OF DECARBONISATION

In order to meet its clients' needs in terms of supplying alternative fuel or mobility, Fraikin has formed partnerships that supplement its expertise and internal offers.



SprintProject, partner for accelerating innovation within Fraikin

To support it in its quest to find innovative solutions and partners, the Fraikin Group has been working with SprintProject since 2020. SprintProject is a start-up which supports business across the entire innovation chain.



Our expertise in supply chain innovation and excellent relations with the Fraikin Innovation team have enabled us to quickly propose start-ups with offerings that perfect align with the pinch points identified. The development of commercial offers within Fraikin soon followed. Today, we're continuing with our collaboration focused on two key topics: Trade development monitoring work acculturation with the start-ups.

Fabien Esnoult, CEO of SprintProject

Fraikin's offer is thus enriched with the following partnerships, formed through the SprintProject competition:

**TANKYOU** TankYou allows for the refuelling of CNG (Compressed Natural Gas) vehicles for fleets (*in the Ile-de-France region*), a service which particularly responds to the issue of areas with poor availability of refuelling options, and which also saves time by avoiding gueues at fuel stations.

Oleo 100. B100 is a biodiesel with a reduced environmental impact in comparison with standard diesel, compatible without need for engine modifications in a wide range of diesel vehicles. Oleo 100 provides an optimised refuelling service thanks to its connected tanks, which enable stock monitoring and on-site refuelling whenever necessary.

Puump! Puump! provides tyre maintenance services for vehicle fleets, which allows for increased driver safety and fuel consumption savings of 4–10%.

Vélyvélo facilitates last-mile delivery with long-term all-inclusive rental of electric bikes and trailers.

terminals with a pay-as-you-go system, with no upfront funding required. This novel offer boasts the advantage of not hindering the deployment of an electric fleet due to lack of means to invest in the required infrastructures.



This representation is ensured through various national

Fraikin works with over 15 international, national,

**INSTITUTIONAL PARTNERSHIPS:** 

MAKING FRAIKIN'S VOICE AND

THAT OF ITS CLIENTS HEARD AT DECISION-MAKING EVENTS

- Transport trade federations

federations:

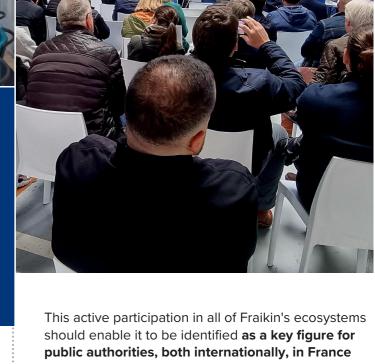
and regional institutions.

transport and logistics, material negotiations, transport under controlled temperatures). In particular, Fraikin co-chairs the Industrial Vehicle Rental Company Commission within the TLF (French Transport and Logistics Companies' Union);

- Trade federations
   (FFC: French Bodywork Federation);
- Events associated with energy and fuel: In 2018, Fraikin joined the AFGNV (French Association of Natural Gas Vehicles).

The Fraikin Group is also developing partnerships in the regions where it operates:

- As part of this, Fraikin is a partner of the Métropole du Grand Paris and has adhered to the City of Paris' Sustainable Delivery Guidelines;
- The Group is a member of the Bretagne Supply Chain network;
- Fraikin is also actively involved in Grenoble Alpes Métropole.



This active participation in all of Fraikin's ecosystem should enable it to be identified as a key figure for public authorities, both internationally, in France or within specific regions, to be solicited when matters in which challenges surrounding vehicle rental arise. This way, Fraikin is recognised as a stakeholder even upstream of regulatory and social developments.

"Fraikin is an active member of the TLF Union, notably sitting on "vehicle rental", "sustainable development" and "urban logistics" commissions.

A devoted and valuable member for the federation, it lends its trade expertise with a focus on contributing to the efforts to develop our profession."

Olivier Poncelet, Managing Director of the TLF Union

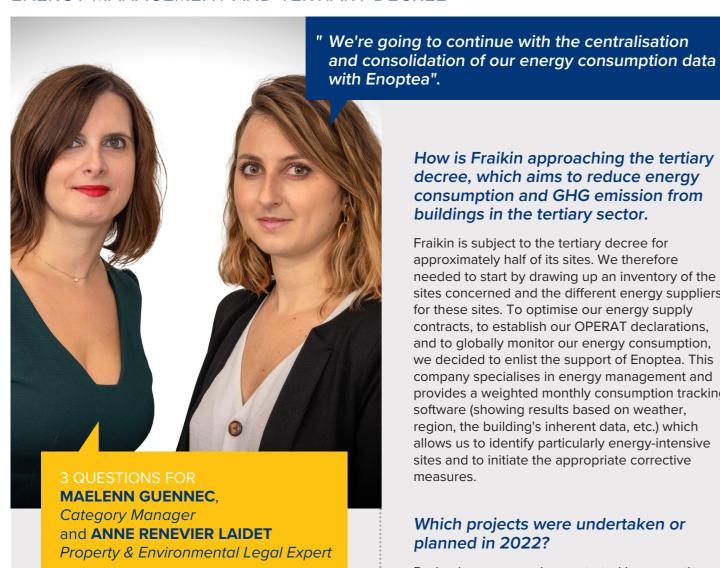


#### FOR FURTHER INFORMATION

Discover the article by Auto-Infos on the new co-chairing of the Industrial Vehicle Rental Company Commission of the TLF.

### OPTIMISING OUR ENERGY CONSUMPTION

### **ENERGY MANAGEMENT AND TERTIARY DECREE**



### How did you tackle 2022 in terms of energy sobriety?

A display campaign reminding people of virtuous practices was implemented in all 120 of our branches to raise awareness amongst employees. It aimed to remind employees of good habits (closing dividing doors in workshops, switching everything off at night, following the instructions for heating/air-condition units, etc.). To go alongside these good habits, we worked with the partners of our various sites to install timer-based systems and to carry out LED relamping, increasing the brightness of lighting as people pass by to ensure the comfort of our employees.

How is Fraikin approaching the tertiary decree, which aims to reduce energy consumption and GHG emission from buildings in the tertiary sector.

Fraikin is subject to the tertiary decree for approximately half of its sites. We therefore needed to start by drawing up an inventory of the sites concerned and the different energy suppliers for these sites. To optimise our energy supply contracts, to establish our OPERAT declarations, and to globally monitor our energy consumption, we decided to enlist the support of Enoptea. This company specialises in energy management and provides a weighted monthly consumption tracking software (showing results based on weather, region, the building's inherent data, etc.) which allows us to identify particularly energy-intensive sites and to initiate the appropriate corrective measures.

### Which projects were undertaken or planned in 2022?

During lease renewals, we started incorporating energy issues into contracts, and we highlight to our partners that this is a way of increasing the value of their asset. We committed to a futurefocused approach with certain partners. This is particularly the case with the institutional partner of 48 Fraikin sites, with which we're assessing the opportunity and technical feasibility of installing solar panels on roofs and/or canopies across the entire portfolio. This initiative is already in the process of implementation on Group sites in Spain, and is delivering promising results. Furthermore, we're conducting an in-depth analysis of the data and overnight readings in order to identify any consumption anomalies. In 2023, we will continue with our work to centralise and consolidate this data with Enoptea, in order to quickly deploy corrective actions and more advanced field audits.

sites with renovated heating equipment

>€135k

**branches** relamped with LEDs (vs 15 in 2021) >€434k

### Solar power, a promising energy solution

Spurred on by the positive experience of Fraikin Spain, which installed solar panels on the roof of its workshop in 2021, and of Fraikin Poland in 2022, the Fraikin France teams are also reviewing the opportunity to use solar power. This work was made possible by the efforts of the partners committed to an energy efficiency protocol alongside Fraikin. IN Vitrolles, the first studies for solar panels on the roof anticipate a return on investment in less than 5 years with full self-consumption.

78

Fraikin sites subject to the **Tertiary Decree.** 

" After entrusting us with the task of negotiating its energy supply contracts, Fraikin contracted us to monitor and optimise its consumption and to thus align it with the applicable regulatory requirements and social challenges.

We're incredibly proud of this partnership, which combines all our expertise with Fraikin's commitment and trust."

> Xavier Blanchard. Director of Sales at Enoptea

168

solar panels installed, delivering 88 kW of power

Fraikin Spain





## 55 kW

Total self-consumption for the requirements of the Blonie workshop (Poland).

The installation of solar panels was combined with the full LED relamping of the workshop.

ROI in approx. 2 years.

\ 21 20 /

# PRESERVING RESOURCES AND PROMOTING CIRCULARITY

Fraikin is committed to reducing its environmental impact by preserving resources, processing waste and pollutants, and using circular recycling networks for certain materials.

### Collecting and recycling used batteries containing lead

In order to limit the carbon impact of the extraction and transport of minerals, Fraikin has been utilising their recycling through its service provider, STCM, since 2011. The yield of this network is estimated at 99% and requires 2–3 times less energy than the production of lead.

### Traceability and recycling of hazardous waste

In compliance with the regulations pursuant to the French Anti-Waste Circular Economy Act (2021), on 1st January 2022, Fraikin deployed a traceability tool for its hazardous waste or any waste containing asbestos.

This specialist waste processing information is sent to the local authorities governing Fraikin's establishments.

260T

of lead recycled out of 261T purchased

### Optima-HA:

Particle filter and catalytic converter cleaning

In order to combat and prevent air pollution, Fraikin has entrusted Optima-HA with the cleaning and reuse (after refurbishment) of the particle filters from some of its vehicles.

In 2022, Fraikin cleaned 205 particle filters, and completed 35 Optym'R refurbishments (full treading refurbishment according to standard Euro 6), a figure that has increased by 88.7%



### Solvent-free degreasing for spare parts

In 2022, 122 of the Group's sites, representing 72% of our workshops — including former Via Location sites — were equipped with part cleaning stations (mechanical cleaning/degreasing) and/or chemical surface treatment applications (paint/thinner cleaning) by service provider **SAFETYKLEEN.** 

### **Focus**

### **Bridgestone X Fraikin: Prolonging the life of tyres**

In late 2021, Fraikin renewed its partnership with Bridgestone (*Scope: France, Spain, Germany, Poland, Switzerland, and Belgium*) for the retreading of tyres, which is a technique consisting of the replacement of the tyre tread on a worn reusable tyre with a new tread, up to a point where its structure needs to be recycled.

Despite an increased purchase price, the life span of a re-treadable tyre is multiplied 2.5x on average, allowing for savings of 35% in raw materials and of 50% in waste to be processed.



+88.7%

**filters cleaned** or refurbished vs. 2021

36.8%

retreaded tyres purchased. 2023 goal: 50%



FRAIKIN / CSR REPORT 2022 / OUR IDEAL BRANCH OUR IDEAL BRANCH \ CSR REPORT 2022 \ FRAIKIN

### THE IDEAL FRAIKIN BRANCH

#### **WORKSHOPS**

**Business energy efficiency actions** 





SOLVENT-FREE DEGREASING

Spare parts & paint guns.

SafetyKleen equipment.





WASTE SORTING AND MANAGEMENT

Cardboard, plastic, scrap metal, hazardous waste followed by "track waste", fuel drums, waste oils, etc. External partnerships for specific recycling processes. For batteries: Partnership with STCM since 2011.

99% of recycling.





PARTICLE FILTERS

Partnership with Optym HA.

Ceramex® deep-cleaning technology. National deployment.



Following an audit in 2020, all dirty tanks have been replaced by above-ground tanks.

Work carried out through annual campaigns.





COMPRESSORS #1 workshop equipment, #1 energy consumer.

Fitted with an electronic card for monitoring consumptions, anomalies are detected to optimise work requirements.

National deployment.

### **OUTSIDE THE BRANCH**





Fitted with a rainwater/wastewater separator.

Covered by local regulations or not.





### HYDROFUEL TANKS

Following an audit in 2020, replacement of all nontwin-skin underground tanks with overground tanks. 95% of replacements completed by the end of 2022. Internal leak detection process every week.

Approved waterproofing inspection every 5 years. Work carried out through annual campaigns.



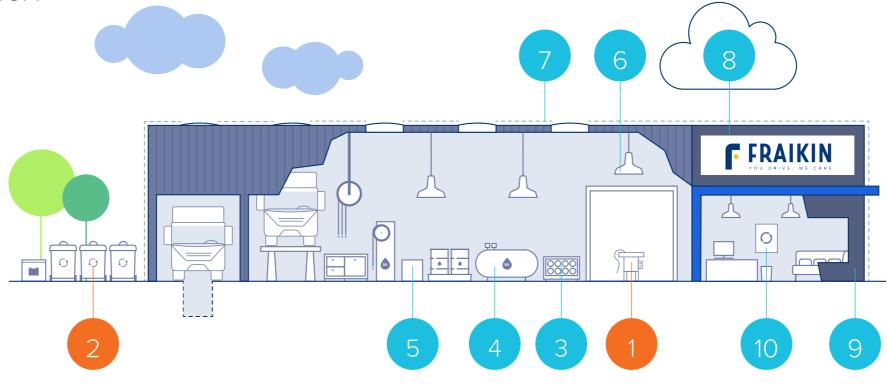


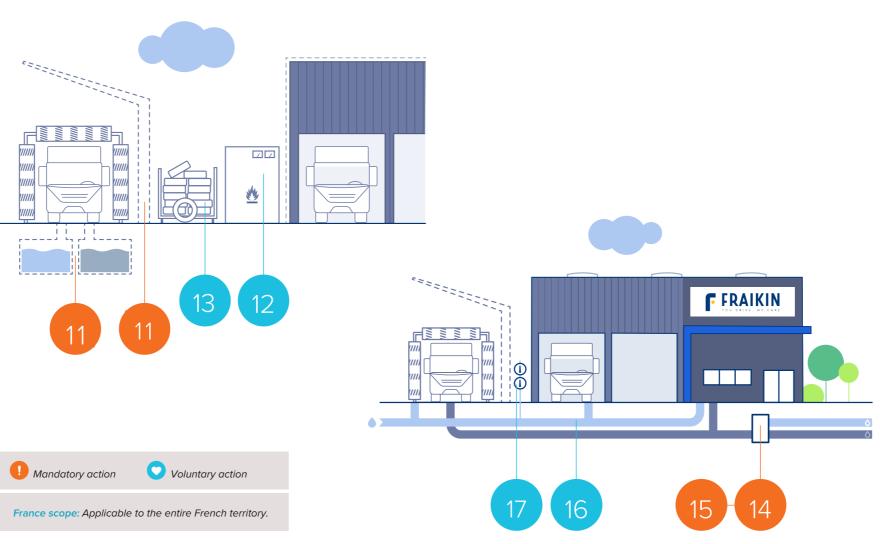
### TYRE RETREADING AND RECYCLING

Partnership with Bridgestone.

36.8% of tyres purchased retreaded in 2022. Goal of 50% for 2023.

National deployment.





#### **BRANCHES**

**Energy efficiency actions** associated with buildings (structure and use)





Replacement of the old systems with LED panels or overhead lamps in workshops

Work carried out through annual campaigns.





INSULATION

Audit & diagnostics of all branches.

Renovation recommendations for each branch: Roofing, access points, walls, etc.

Work carried out through annual campaigns.





### ENERGY MANAGEMENT

Partnership with Enoptea.

Implementation of a digital energy consumption management platform.

National deployment.





HEATING SYSTEM

Elimination of all systems sill running on fuel, replacement with a gas system.

2 branches in 2021, 2 branches in 2022.



RAISING AWARENESS

Displays showing good energy-saving practices.

National deployment.

#### **UNDERGROUND**





Installed outside in the parking areas.



15 ! NETWORK CLEANING

Completed at least once per year, and up to 4 times per year, according to the regulations.





16 SANITATION NETWORKS Compliance audit and

mapping of these networks.

3-year compliance plan adopted. Work carried out through annual campaigns.



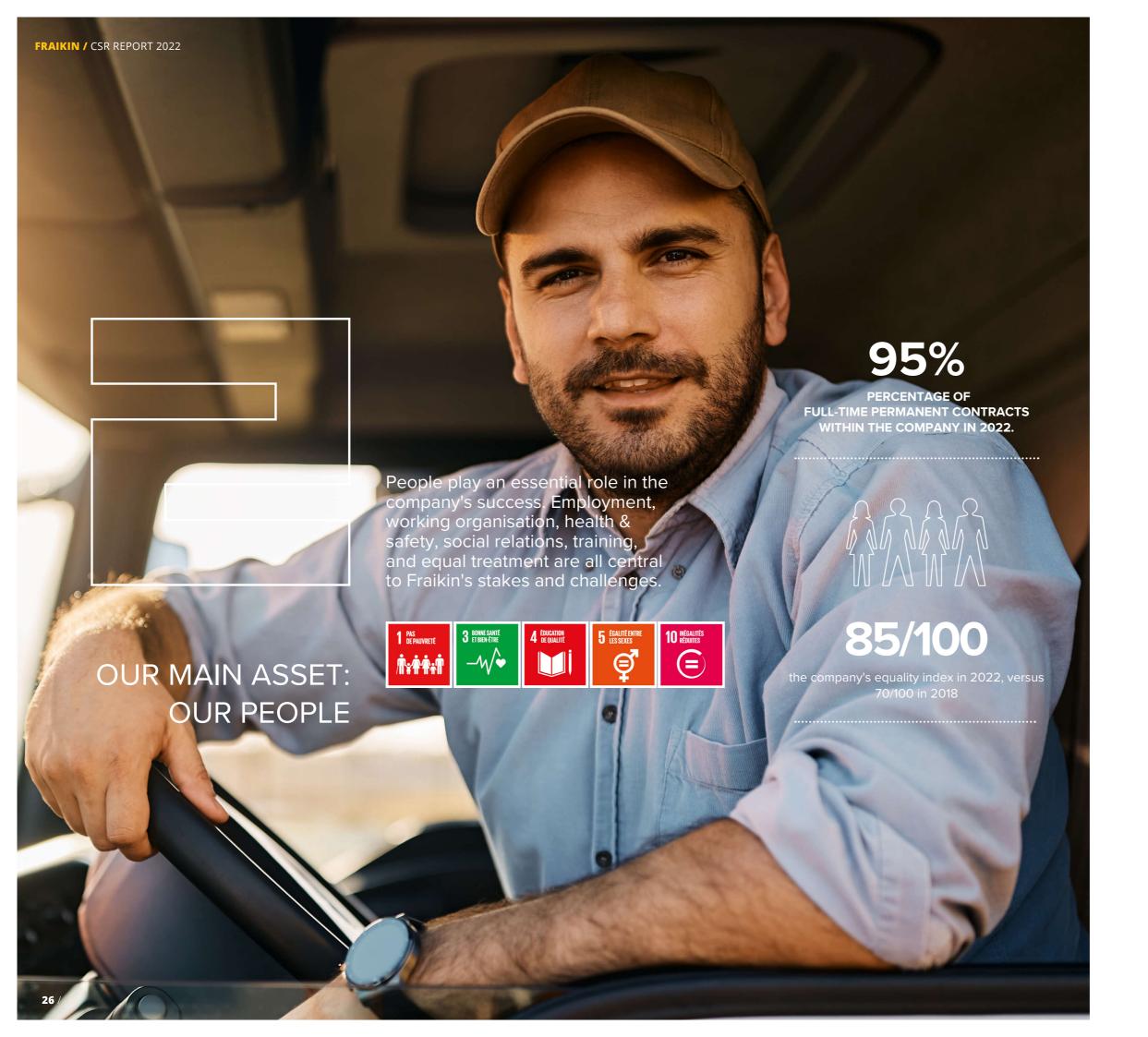


Monitoring carried out through quarterly counter readings

Successful process which enabled the repair of 2 significant leaks.

National deployment.

\ 25 24 /



### **OVERVIEW**

### **PAGE 28**

PROMOTING EMPLOYEE ENGAGEMENT AND DEVELOPMENT

MEASURING WELL-BEING IN THE WORKPLACE TO MAKE PROGRESS TOGETHER

### **PAGE 30**

ENGAGEMENT AND EMPLOYABILITY: BEING A BUSINESS OPEN TO LEARNING

### **PAGE 32**

ENSURING THE HEALTH & SAFETY OF EMPLOYEES

PROMOTING DIVERSITY AND INCLUSION IN THE WORKPLACE

### PROMOTING THE DEVELOPMENT AND ENGAGEMENT OF OUR EMPLOYEES



### How do you measure employee engagement within Fraikin?

We have several systems, including an internal social climate barometer which allows us, through an annual anonymous questionnaire, to be attentive to employees wants and needs, and to quickly take action accordingly. In Poland, we have already been awarded the Great Place To Work certification, with every entity within the Group aims to obtain over the coming years.

We believe that engagement is intrinsically linked with management and close relations. Here at Fraikin, we're aware that this all needs to be built on a high-quality framework.

This is all the more necessary in trades where recruitment is challenging: technicians, mechanics, bodywork technicians, etc. We've set up a referral system: Each employee may recommend someone and if we recruit that person, the referring employee will receive a bonus of €1,000 (gross).

We have also made the choice to make very little use of defined-term contracts or temp workers, with 95% of our employees being on permanent

contracts. There is obviously a stronger sense of commitment and engagement when under a permanent contract. We have also created a Trade School. This academy gives us access to a pool of highly qualified employees, who are trained in Fraikin's specificities. So far, around 100 apprentices or work-study students have graduated from our Trade School

### Accidentology is a big topic, with an ambitious goal of 0 accidents?

This is an absolute priority. In France, we have 120 branches with just as many workshops, where there are obviously major accident risks. We have an Occupational Health & Safety Department which conducts monthly reviews of all situations and establishes action plans. Every morning, each Branch Manager must hold a safety briefing, and there are trained individuals in each workshop. Lastly, we regularly conduct safety audits. Our 400 drivers are also trained in safety, eco-driving, and now even receive training on quality of working life, stress management, and nutrition. What initiatives have been undertaken to

Our trade sector is male-dominated, which is particularly reflected in the workshops, but not in our head offices. However, we are starting to see more female technicians and drivers. We're trying drive change in this regard. For such change, we need more women taking the qualifications and training currently available, in order for us to be able to then recruit them.

promote diversity?

As for disability, it's a major topic here at Fraikin. In 2018, we created a Mission Handicap, and we're constantly striving to improve and progress. However, we have also understood that people may sometimes be suffering from "invisible disabilities", which are often misconstrued as taboo subjects, which they feel they can't talk about. It's up to us to identify how we can help these people, through adaptations to working conditions and more appropriate equipment.

### MEASURING WELL-BEING IN THE WORKPLACE TO MAKE PROGRESS TOGETHER

The Human Resources teams have several tools, frameworks and barometers available to them, so they can constantly keep their finger on the pulse of the social situation within the Group, attentive to all employees, and to start initiatives boosting individual engagement and company performance.



### Professional review associated with **Annual Performance Reviews (ARP)**

Each year, the Human Resources teams are out in the field, leading workshops with all our managers, answering multiple questions, including those on the on-boarding pathway and needs for specific training. Number-based targets are proposed for mechanics, drivers, workshop managers, and Operations Managers, in order to then be able to evaluate the

Launched on 17th January for all employees, the 2022 campaign enabled us to carry out 2,099 reviews, equating to a rate of 92%, which had slightly dropped in comparison with 2021 (98%). This decrease was essentially due to the incorporation of Via Location and employees leaving the company over 2022.

#### 2022 performance levels:

- · All targets achieved or even exceeded: 18% (same as 2021)
- · Almost all goals achieved: 62% (59% in 2021)
- Some goals not achieved: 19% (22% in 2021)
- Most goals not achieved: 1% (same as 2021)

#### **Internal barometer**

This is an anonymous questionnaire which allows us to measure the social climate each year, and to determine the key improvement points. Action plans are then developed within each subsidiary and region.

\ 29 28

FRAIKIN / CSR REPORT 2022 / A BUSINESS OPEN TO LEARNING

A LEARNING-FOCUSED BUSINESS \ CSR REPORT 2022 \ FRAIKIN

1843

# ENGAGEMENT AND EMPLOYABILITY: BEING A LEARNING-FOCUSED BUSINESS

Consolidating employees' employability and adaptability, reinforcing a sense of belonging, and employee motivation, all require options of training and opportunities for personal and professional development.







In 2022, a total of 1,843 training courses were delivered to 1,016 employees, equating to a total of 36,863 hours of training with an average of 36 hours per person over the year. This result remains stable in relation to 2021: +10 hours of training and -3 employees trained. Fraikin's goal remains to have 100% of employees with more than 5 years of service having completed at least one "non-mandatory" training course. In 2022, the results reached 77.13%, versus 98.25% in 2021. Once again, this drop was essentially due to the incorporation of Via Location employees following its merger with Fraikin on 1st July 2022. For 2023, the goal remains set at 100%.

In 2022, priories were established based on the training plan initiated in 2019, essentially focusing on:

• The creation of a **digital e-learning training platform** via WeLearn, with a course for new recruits, over 20 modules for the sales division, a certification quiz set up between September and December 2022 (166 participants). In July 2022, for the incorporation of Via Location, 2 new courses were added:

Workshop and Operations Managers. All of the training modules feature a knowledge test with validation of learning.

• Supporting employees nearing retirement: In 2022, 37 employees took part in a training day led by our partner Klesia, covering a huge range of questions and topics: How to prepare for retirement and build a pension, taking an active role in your health, maintaining healthy social relations, etc.

Other training initiatives were also carried out in 2022, which weren't scheduled in the initial plan:

- Training sessions on how to use the Diagnostic Toolbox for workshop technicians, enabling significant time savings and an improved breakdown diagnostic process. 172 people completed Level 1 "Advanced Training", and 124 people completed
- Operations Managers, Logistics Managers, and Regional Operations Managers completed their Client Relations Management training.
- The incorporation of Via Location in 2022 required training for 72 managers, namely to harmonise and align practices.



trained in 2022

### 2023–2026 Training Plan

Initiated in 2022, this new training plan provides for training on GDPR, the Sapin II Act, information security, new alternative energies (*Gas, CNG, B2 LV electric vehicles, and maintenance, etc.*), whilst continuing to support employees as they prepare for retirement...

### **Transfer requests**

Fraikin France has set up Career Committees to review geographic and role transfer requests, in order to promote internal mobility and to systematically provide employees looking to change region or role with an answer to their request.

In some cases, coaching sessions can be offered to help employees achieve a certain goal. In 2022, 24% of employees submitted a transfer request (597 requests), with 309 having put in role transfer requests, and 228 geographic transfer requests.

### Attracting talents

As Fraikin operates in a challenging and hyper-competitive sector, it has had to find innovative solutions for recruiting new talents. To improve its reactivity, video-call interviews held over Teams, along with remote tests, have enabled the recruitment of 291 employees on permanent contracts in 2022: 46 HGV and versatile drivers, 33 operational employees (preparation technicians, operations managers, assistant operations managers, logistics managers), 136 in workshops (mechanics, bodywork technicians, team supervisors, workshop manages and preparation managers), 45 at head offices (support roles), and 31 sales representatives in various positions of responsibility.

#### The Trade School

Founded in 2006, Fraikin's Trade School (*EDM* — *École des métiers*) trains futures employees in the fields of mechanics, bodywork, and technical acceptancxe. Almost 50 young people were recruited from the EDM class of 2022–2023.



FOR FURTHER INFORMATION

Our careers in video.Example, Stéphane Vandewalle, bodywork.

FRAIKIN / CSR REPORT 2022 / HEALTH & SAFETY

HEALTH AND SAFETY \ CSR REPORT2022 \ FRAIKIN

80%

Employee satisfaction rate regarding the quality of equipment provided by the company (2022 barometer).

# ENSURING THE HEALTH & SAFETY OF EMPLOYEES

Fraikin and the Human Resources Department are committed to protecting the health & safety of employees, through improving working conditions and taking measures to reduce the number of accidents in the workplace.

### Occupational Health & Safety Department (OHSD)

It takes into account the ISO 45 001 standard and responds to 4 commitments:

- Leading a continuous improvement approach for working conditions.
- Assessing and controlling professional risks.
- Implementing processes that align with the Occupational Health & Safety policy.
- Communicating and advising executive management, general management, and employees, and working with representative bodies.

### "Zero accident" goal

The "Zero accident" goal was renewed in 2022. The main risks are found in the workshops (*electrical shocks, cuts and musculoskeletal disorders*) and in the driving division.

In 2022, 34 drivers were victims of accidents in the workplace, resulting in 1,535 days of absence, representing a minor increase in relation to the two previous years.

**Note**: Almost 40% of driving accidents occurred during the driver's first year in the role.

In 2022, the accident frequency rate was 37.16 (37.16 accidents for 100,000 hours worked), representing a slight decrease in relation to 2021 (37.54). In 2019, it was 42.69.

In 2022, 18 additional branches joined the Group with the Via Location merger, which meant 260 new employees, with no significant increase in the gross impact of workplace accidents resulting in sick leave.

### Security actions and project deployments in 2022

- Risk assessment Identification of risks associated with the various activities and action leads.
- Deployment of unique documents with the support each site manager and workshop supervisor.
- Verification of regulatory and mandatory training: 1,187 completed in 2022, for 602 sessions and an investment of €487,000.
- Daily security briefs led by each workshop manager.
- Compliance controls for buildings and equipment, and work compliance controls.



### PROMOTING DIVERSTY AND INCLUSION IN THE WORKPLACE

A driving force for equality and social cohesion, diversity within the company is a value that Fraikin believes to be a major asset for innovation and performances.

" We need to go out into the schools to explain to young women and girls that these are "men's jobs", and that there are real careers waiting for them here at Fraikin.

Diversity is extremely important to us."

#### Caroline Bousquet,

Director of Legal, Audits and Quality, Member of the ExCom



85/100 EGA PRO INDEX The equality index also made great progress, increasing from 70/100 in 2018 to 85/100 in 2022. This index takes into account gender pay gaps, the distribution of individual pay rises and promotions, the number of female employees promoted upon return from maternity leave, and equality amongst the top 10 highest salaries.

### **Disability**

In the workshops, accident risks are very real and constantly present, but in 2018, a "Mission Handicap" was created, supported by an external specialist consultant, to help employees in their protocols and to raise employee awareness.

16 new employees with disabilities were recruited in 2022, and a Employment Retention Committee was created. Its role is to oversee ergonomic reviews, workstation layouts, transport agreements, home help funding, etc.

Fraikin has also partnered up with Garac (National School of Automotive Professions based in the Parisian region). This partnership aims to promote the integration of young workers with disabilities into the Group.

### Responsible purchasing within the adapted sector

In 2022, Fraikin continued with its service provider referencing for the protected and adapted work sector (*EA*, *ESAT* and *TIH* in *France*), which led to a significant increase in Responsible Purchasing, with an overall increase of 26.5% since 2019.

### **Gender equality**

Fraikin's business sector remains male-dominated, but in 2022, Fraikin upped its initiatives to promote equality.

At the end of 2022, Fraikin's payroll had 1,925 men for 443 women:

- 14% women within the network
- 50% women at the head offices
- 18% women on the France BoD
- 17% women on the Group ExCom

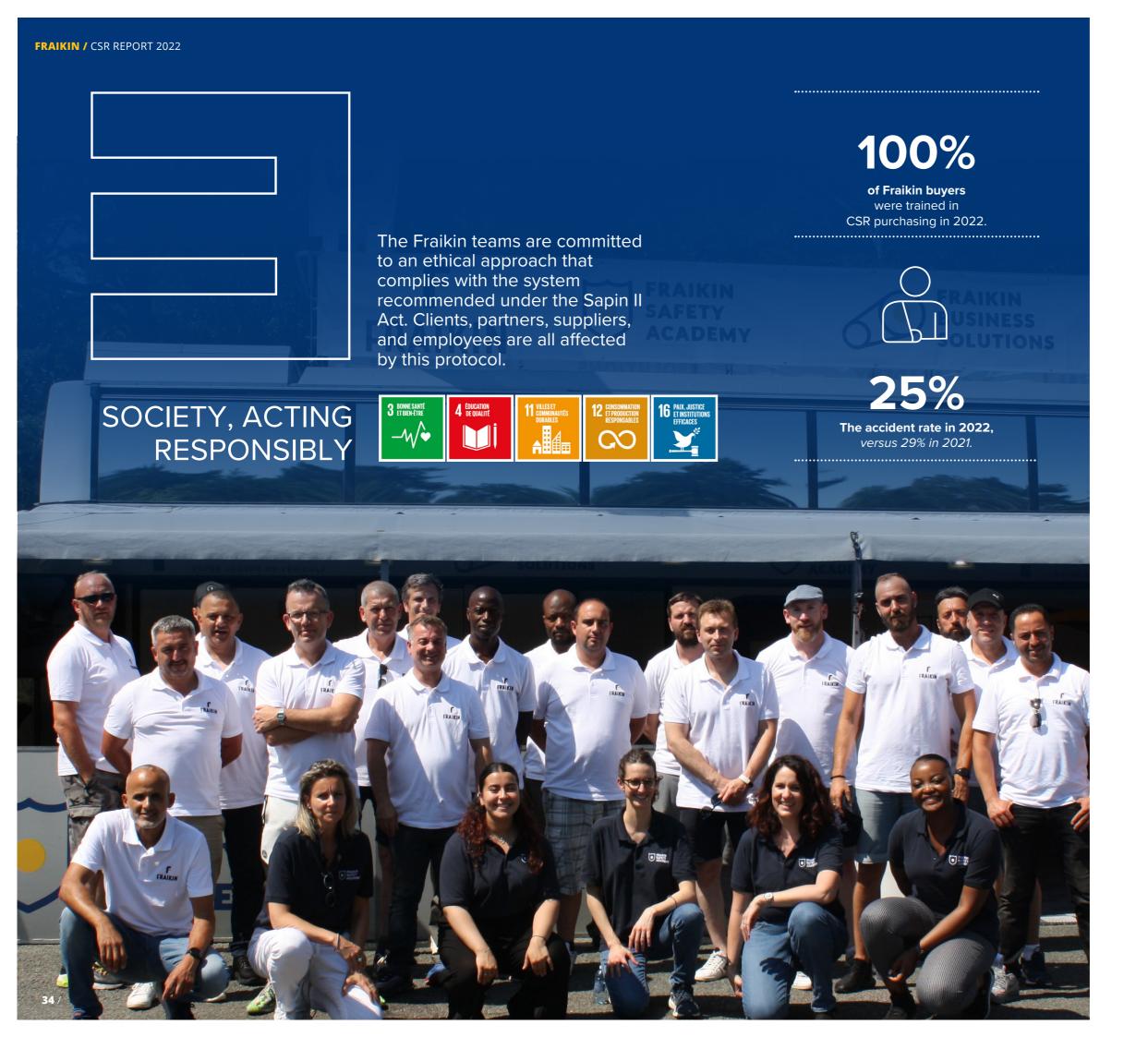
Percentage of women in positions of responsibility:

- Branch Manager: 13%
- Branch Manager: 30%
- Regional Manager: 9%
- Regional Operations Manager: 82%



FOR FURTHER INFORMATION

Profile of Olivier Rocquart
as part of the 2022 SEEPH.



### **OVERVIEW**

### **PAGE 36**

DEVELOPING A RESPONSIBLE PURCHASING POLICY

### **PAGE 38**

ACTING ETHICALLY AND PREVENTING CORRUPTION REDUCING ACCIDENTS

### **PAGE 40**

TAKING PART IN CAUSES THAT MATTER

### DEVELOPING A RESPONSIBLE **PURCHASING POLICY**

The Purchasing division is one of the main leverage points for the implementation of an effective Corporate Social Responsibility (CSR) policy within the company.



### In 2022, Fraikin further developed its Responsible Purchasing Policy. Which indicators are your particularly leaning into?

We've integrated a certain number of selection criteria for our responsible purchasing for anything relating to CSR aspects. For some time now, we've been requiring our suppliers and partners to have certain certifications (ECOVADIS or from other companies) in order for us to be able to work together. This applies for social and environmental matters alike.

Over the course of 2022, we mapped out all our suppliers, using the criteria AFNOR, amongst others. We have duly carried out audits and have proposed some areas for improvement to certain parters. We've implemented indicators to enable us to accurately and closely track the progression of measures taken.

### Do you also have Ethics Guidelines now?

In 2022, we drafted our Ethics Guidelines, including social and environmental subjects, and started getting all our partners to sign them. Signing the Ethics Guidelines is now a prerequisite for responding to our calls for tenders. Most of our suppliers have already signed them, and all our regular partners will have signed them by the end of 2023. They will also be progressively appended to all our master contracts.

They are principally focused on all matters associated with ethics, such as anti-corruption measures, and also cover subjects relating to the environment.

### You've implemented specific training on responsible purchasing, as well as an ethics commitment that needs to be signed by all new arrivals within the company?

Yes, that's absolutely right. The Auditing Department has implemented a commitment that must be signed by any new arrival within the company, requiring them to certify that they have had no part in any activities that may pose a conflict with their employment at Fraikin. A commitment that is renewed each year. A measure tailored to a Group that operates across 10 countries.



### **Encouraging our suppliers** to adopt a more responsible model

Fraikin has defined its responsible purchasing policy and its action plan by drawing inspiration from the ISO 20 400 standard, which established the guidelines for integrating corporate social responsibility into such policies and plans. This protocol also calls upon the company's partners to be vigilant themselves.

### **Purchasing risk mapping** to define priority actions

Based on AFNOR's purchasing risk mapping tool, it has enabled:

- The identification of high-risk purchasing families (with a CSR rating of 50/100 or above).
- The isolation of 33 out of 101 families considered to present a "gross risk" (before the implementation of measures intended to reduce such risk).
- The calculation of the "net risk" represented by these purchasing families after the incorporation of Fraikin's specificities: 16 purchasing families remain "high-risk", with a rating  $\geq$  50.
- The integration of CSR criteria in all purchasing processes.

### **Creation of the CSR Supplier Guidelines**

Providing ethics guidelines for the company, these CSR Supplier Guidelines meet the requirements of the Fraikin Group in terms of social challenges. In 2022, they were sent to more than 135 suppliers from the 16 purchasing families categorised as high-risk in terms of CSR. These high-risk purchasing families may only respond to the company's calls for tenders once they have signed these quidelines.

To measure the impact of this protocol, Fraikin defined 3 indicators:

- **1.** The percentage of concerned suppliers that have signed the guidelines: The guidelines having been sent during the 4th quarter of 2022, the results were recorded over 2023 (goal of 90% by the end of 2023).
- **2.** The percentage of high-risk suppliers (score >50: A threshold which may be lowered to continue with the deployment of the CSR protocol). This indicator namely enables the determination of the number of suppliers to be audited amongst the high-risk purchasing families. 5 supplier audits were scheduled for 2023.
- **3.** The percentage of buyers trained or having completed awareness-raising sessions in responsible purchasing. 100% of the team was thus trained in 2022 and the CSR purchasing skill was integrated into the skills matrix for the department and monitored as part of the ISO 9001 certification.

\ 37 36

# BEHAVING ETHICALLY AND PREVENTING CORRUPTION

The Sapin II Act requires the implementation of an anti-corruption system. The implication Legal, Auditing and Quality Department within the Group's various governance entities (Board of Directors, ExCom, Ad-hoc committees, etc.) contributes to guaranteeing ethical behaviour within the company.

### **Updated mapping of corruption risks**

In 2022, Fraikin updated its corruption risk mapping. This update was all the more necessary given the change of scope for several subsidiaries and the acquisition of Via Location in 2022. This update was also accompanied by a compliance assessment of the efficacy of the system, along with identification of priority action points.

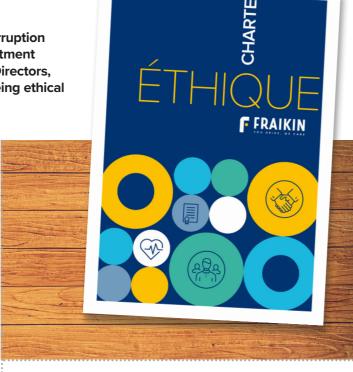
### Third-party risk assessments

Fraikin must ensure that its suppliers and partners do not present any risks of unethical behaviour or infringement of laws or regulations, in order to make sure that its reputation may not be negatively affected and that it may not be held liable in any way. The Catalyst screening tool was selected based on its capacity to collect information into different databases. Over 100 strategic suppliers have thus been evaluated.

## 25 reviews on a Group-wide level

25 meetings were held within the Group in France, as well as in Poland, Spain, the United Kingdom and Italy, during which 35 potential scenarios were discussed and 162 assessments were carried out.

This enabled us to establish a list of the key risks of integrity infringement, including the following: Embezzlement of annual remunerations paid by suppliers to employed staff, abusive declarations at vehicle end-of-life for purposes of resale or spare part retrieval, or collusion with a service provider or supplier leading to the implementation of overcharging on invoices with a view to embezzling the sums involved, etc.



### **Employees getting involved**

Each new arrival within the company will be provided with the Ethics Guidelines and the Anti-Corruption Code of Conduct. These documents allow new recruits to familiarise themselves with the notions of corruption, influence peddling, and conflicts of interest, and to adapt their day-to-day behaviours to align with Fraikin's values. To go above and beyond the requirements of the Sapin II Act, each year, every employee must also sign a declaration of no conflicts of interest with their role within Fraikin.

### An internal whistleblowing platform

In order to identify any behaviour which does not align with Fraikin's values, a whistleblowing platform allows anyone (*employee*, *supplier or client*) to alert the Group's management, thus covering them with the protected whistleblower status required under the Sapin II Act. These alerts systematically trigger a thorough investigation.



FOR FURTHER INFORMATION

The Anti-Corruption Code is available for consultation on the Fraikin.fr/en corporate website.

### REDUCING ACCIDENTS

With 33,598 vehicles on the roads in France in 2022, including 26,413 vehicles directly managed by Fraikin, road risks are a daily concern for the company. Several types of action have been implemented. Fraikin vehicles were involved in 6,532 accidents in 2022, equating to an accident rate of 25%, versus 29% in 2021. A slight increase due to the Group's efforts for prevention.



in 2022, versus 29%

in 2021

### Reporting tools

In order to make sure that it has the best information available on its clients' accidentology, Fraikin has developed specific tools to enable the transmission of all information on accidents and to establish indicators: Categories of vehicles involved in accidents, type of accidents, recurrence rate and bodily harm rate, etc. These indicators are then reviewed by an internal team composed of specialists in vehicle insurance.

### **Road Prevention Partner**

The Group has signed the Road Risk Prevention Guidelines established by *Prévention Routière* (in France), intended to raise awareness and to promote good practices. They allow Fraikin to supplement its own systems to ensure the safety of its employees and its clients.

For this aspect, the company implemented a coaching training offer entitled "Eco-driving and road risk prevention", enabling each driver to be individually accompanied and coached for an entire day. On the agenda: Reducing energy consumption, on-road evaluation, improving road behaviours, recap of "road safety" and good practices, etc.

An individual report allows for each driver to be given suggestions of areas for improvement.

Fraikin is also a member of the French association "Promotion et suivi de la sécurité routière en entreprise" ["Promoting and monitoring road safety in businesses"], which aims to share prevention methods.

### Actions also undertaken with clients

Fraikin also offers prevention programmes adapted to its clients' specific needs:

- Organisation analysis, causes and origins of accidents.
- Training for the clients' drivers.
- · Conducting accident audits.
- Regular monitoring of accident development and action plans.

\* Accident rate = (number of accidents / number of insurance policies) x 100.

FRAIKIN / CSR REPORT 2022 / OUR SOCIAL INITIATIVES

OUR SOCIAL INITIATIVES \ CSR REPORT 2022 \ FRAIKIN

# TAKING PART IN IMPORTANT CAUSES

Mutual aid is a deep-rooted value for Fraikin as a business, both in France and in the other countries where the Group operates.







### Fraikin supports the Ukrainian people and mutual aid associations

In France, a convoy of 4 Fraikin vehicles, led by Alain-François Pialat, Deputy CEO of Fraikin and Director of Human Resources and Communications,

and Sabry Chihi, former CEO - France, hit the road for Ukraine on 25 March 2022. This mission was organised in collaboration with the child support

association *Soleil Royal*, and it enabled nonperishable food, hygiene kits, baby food, dummies,

nappies, soft toys, etc., to be delivered to those in need in Ukraine.

The convoy was able to reach the refugee camp housing women, children and the elderly, located on the Slovak border, after an exceptional road trip passing through Italy, Croatia, Hungary and Slovakia





### In Poland

From the start of the war between Russia and Ukraine, Fraikin employees have demonstrated great compassion and a desire to help by organising initiatives to support their Ukrainian neighbours, with the company's full support. They firstly organised donation drives, particularly for hygiene and cleaning products, as well as bedding for the transit hubs housing mothers and children. Fraikin Poland also took part in transporting 21 tonnes of food products (donated by on the company's Polish clients), delivered to a POLSAT Foundation centre, which is a charity organisation working to improve the quality of healthcare for children.

In April, two vehicles from the fleet were assigned to transporting medical equipment for the ERMED Foundation, which works on the front lines in Ukraine. 2 ambulances, provided by Fraikin Spain, and equipped by one of Fraikin's Polish clients, Falk Medycyna, a leader in medical transport, were able to be delivered, along with a passenger transport vehicle and a minibus. All of this equipment was donated to NGOs intervening in the field.

Since 2020, the Fraikin Poland teams have also been supporting the work of the charity Szlachetna Paczka, which has volunteers helping families across the country by providing them with personalised support, based on their actual needs. In the same line of efforts, they also support the Polish Food Bank Federation (*Bank Żywności*), which is composed of 32 organisations operating on a national scale.



### In Benelux: Initiatives to include athletes with mental disabilities

Special Olympics is an international movement supporting athletes suffering with mental disabilities. 20,000 registered participants can make their dreams a reality by training for and taking part in a huge international competition. Fraikin Belgium

sponsors this initiative an provides vehicles for the various events associated with it. The company is fully counting on continuing to play an active role in this inclusive movement, aiming to improve the lives of 165,000 Belgian citizens suffering from mental disability.



### In Spain: An age-old commitment

For many, many years now, the Fraikin Spain teams have been working with non-profit organisations leading national or local initiatives for good causes, from supporting events to participating in important

As part of this, Fraikin Spain takes part if various charity work activities with the Apadis Foundation (supporting the integration of individuals with mental disabilities), the Food Bank (helping those most underprivileged) and the Reir Foundation (which works to support the integration of young people).

Our teams also work with People in Red, a foundation funding research into AIDS and infectious diseases, Oncovalles which works in the fight against cancer, as well as supporting the associations Open Arms, Médecins Sans Frontières, and Manos Unidas (an NGO supporting development for Southern populations).

Closer to our branches, initiatives are also undertaken to support young people, such as an initiative launched in Granollers, close to Barcelona, with the sponsorship of the leading cultural association Xics, and through lending vehicles to social entities during the city's big celebrations. Internship agreements are also offered to promote the employment of young people on a local level.

Employees are also demonstrating great enthusiasm and engagement, getting involved individually. Eight of our employees took part in Oncobike, a mountain bike race raising awareness of the fight against cancer.

# DECARBONISING THE TRANSPORT **ECOSYSTEM** BY 2050



In 2019, the transport industry represented 25% of all CO<sub>2</sub> emissions in Europe. Given these findings, it appears to be obvious that achieving the targets set by the EU (55% reduction in GHG emissions by 2030 and carbon neutrality by 2050) is a major challenge for the entire transport sector.

A committed and central player in its ecosystem, Fraikin works with all of its stakeholders, leaning on its expertises:

- Technological: Monitoring and non-partisan expertise in the development of various engines and vehicle energy sources.
- Regulations: Regional monitoring (countries/regions/ metropolis) of the legislative changes and any grants available for the decarbonisation of transport.
- Sales: Support in the selection of vehicle/engine/ bodywork best suited to its clients' uses.
- Its service: Provided by the Fraikin Mobility Platform which enables drivers or fleet managers to optimise the use (eco-driving data, vehicle charging, etc.) and the selection of vehicles.

The convergence point in 2050 is clear and shared, even if the route taken to achieve it may vary from country to country. Fraikin's strength lies in its transversal vision across Europe. This way, local best practices and the various expertises are pooled and shared. They reinforce the Group's overall capacity to advise and support its clients, who are thus provided with guidance on managing a greener fleet.

### MULTIPLE BELIEFS. **ONE VISION**

### In 10 years, the transport sector will have been thoroughly remodelled

Here at Fraikin, we have a strong belief: Over the next 10 years, we'll see bigger changes in the vehicle world than we have over the past 70 years. Our second belief that there isn't a one-size-fits-all solution. Effectively, each manufacturer has a different strategy and the most relevant technological solutions (different types of electric batteries or hydrogen) therefore vary depending on the use of the vehicle, the client, and their business sector. Within this context, Fraikin is choosing the energy mix and technological

As a leader on our market, and given the diversity of our clients, their business sectors, and the sheer scale and technical diversity of our fleet, simply choosing a single technical solution, unlike some competitors, is not an option for us.

Backed by our expertise in various vehicle use modes, we want to give our clients the benefit of our experience by adapting our offer to their needs.

### The Fraikin approach: Focusing on clients' requirements for vehicle selection

Fraikin's strength lies in combining the analysis for an energy provided from the accounting of the chassis with other equipment (bodywork, cooling unit, in particular) for each application that will be used by the client (transport, construction, healthcare, agrifood, etc.). This support expertise reduces operational risks for the client and enables them to progress with greater peace of mind in the transformation of their fleet, taking into account the technologies available in real time, and adapting the energy mix for their vehicles as and when needed.

Nevertheless, the energy transition incurs a substantial excess cost, investments in vehicles running on alternative energies between anywhere between 2 and 4 times higher than combustion engine vehicles.

Fraikin already has a financing method (securitisation) enabling it to support its clients with the progressive renewal of their fleet by offering them rental solutions that are tailored to their needs without requiring investments from them.

### The IoT (Internet of Things) is a key ally in the transition

With the implementation of objects that are interconnected in real time, the proper daily use (e.g., respecting eco-driving techniques) and the profitability of the vehicle can easily be optimised and controlled by a fleet manager.

Fraikin's Mobility Platform responds to these needs and, in particular, allows for the monitoring of vehicle availability, driving behaviours, and even the calculation of carbon emissions in real time for each vehicle. This way, thanks to Fraikin's expertise combined with simplified access to data, the client will be able to optimise their selections, the use of their vehicles and, in a broader sense, their expenses.

### The electrification of the network is essential, so it needs to be agile

To accelerate the transition to electric vehicles, reflections on refuelling methods and vehicles' cost of use are intrinsically linked. This way, for the future, Fraikin is envisaging in integrated charging network model. The electric charging infrastructures are already the subject of several partnerships which respond to various client needs (public terminals or dedicated terminals in warehouses).

### The integration of the cost of energy into decarbonisation strategies and reflections

Given the volatile cost of energy, it's essential that Fraikin passes good practices on to its clients, in order to allow them to optimise these costs.

Not only does the energy transition require the renewal of fleets, but also a change in behaviour, in how the vehicles are used. This behavioural factor will prove to be decisive in good management practices for an optimised fleet.

FRAIKIN / CSR REPORT 2022 \ FRAIKIN

### INDICATOR TABLE

|   | CSR RISK                                      | PEOPLE INTERVIEWED  | POLICY  | KPI REVIEW  | Corresponding SDGs   |
|---|---|---|---|---|--|
| 1 | Contribution to climate change (fleets)       | Olivier Dutrech Director of Innovation & Fraikin Business Solutions Olivier Couderc Energy Transition Division Manager David Madere: Fleet Manager - France | <ul> <li>Innovation protocols (Fraikin Energy Transition, FraikinLab) and partnership development</li> <li>Airborne pollution prevention and reduction of our carbon footprint</li> </ul> | <ul> <li>Scope 1 GHG emissions</li> <li>Scope 2 GHG emissions</li> <li>Scope 3 GHG emissions associated with clients' use of the vehicles</li> <li>Number of vehicles with alternative engines</li> </ul>   | 7 DERROE PROPRIE 13 MENUES BELAIMES EN TO PRATITIONALIS EN TOPOLOGIA EN TOPOL   |
| 2 | Client accidentology                          | Hélène Thealler: Legal & Insurance Director   | Development of external training<br>(eco-driving, road prevention, etc.)  | Accident rate   | 3 BONNE SANTE  4 DOCUMENTO  DE COMPLETE  TO  |
| 3 | Environmental protection                      | <b>Jerôme Gauthier</b> : Category Manager (chassis),<br>CSR Manager for Purchasing  | Waste management & circular economies   | % of retreaded tyres purchased  | 12 CONSOMMATION RESPONSABLES COO   |
| 4 | Employee<br>engagement                        | <b>Ludmilla Jestin</b> : Training Manager - France  | Attracting talents<br>Training plan<br>Internal barometer<br>Transfer request monitoring  | <ul> <li>Average number of hours of training per trained employee</li> <li>Number of employees with more than 5 years of service who have completed non-regulatory training</li> <li>Frequency rate of accidents in the workplace</li> <li>Severity rate of accidents in the workplace</li> <li>Proportion of women on the workforce</li> </ul> | 1 PAS 1 BONNESANTE LEGALITE LE |
| 5 | Supplier relations                            | <b>Jerôme Gauthier</b> : Category Manager (chassis),<br>CSR Manager for Purchasing  | Implementation of a responsible purchasing policy   | <ul> <li>Proportion of suppliers to have signed the responsible purchasing policy.</li> <li>Number of suppliers audited over the year</li> </ul>  | 12 CONCOMMENTOR STYPHOLOGISTS COO  |
| 6 | Discrimination                                | <b>Nicolas Perret</b> : Group Social Benefits<br>& Payroll Manager  |   |   | 10 MEAUTES   |
| 7 | Anti-corruption                               | <b>Xavier Desmarchelier</b> : Director of Internal Audits,<br>Risk, Compliance and Quality  | Sapin II Act and implementation of mandatory actions  |   | 16 PAIX, JUSTICE ET MASTITUDIES ET MASTITUDIES   |
| 8 | Occupational Health<br>& Safety for employees | Emmanuel Mounier: Head of Safety  |   | <ul> <li>Number of hours worked and paid</li> <li>Number of workplace accidents (WA) resulting in sick leave</li> <li>Number of days of sick leave following a WA</li> <li>Frequency rate</li> <li>Severity rate</li> </ul>   | 3 BOINE SANTE  ———————————————————————————————————   |

44 / \ 45



fraikin.com