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Françoise RAOUL-DUVAL DIAM Group CEO

DIAM's individual commitments to act4nature international

Company Overview

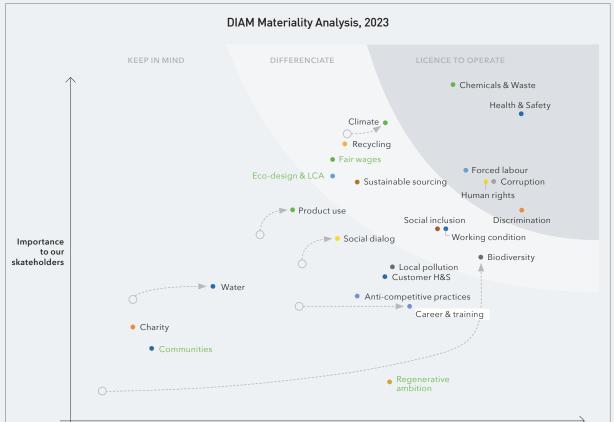
DIAM is a global network of local experts in retail solutions, from the design to manufacturing of stores, point-of-sale (POS) advertising and niche packaging for the beauty and luxury sectors. We offer consulting, creative and technical design, production and installation solutions, and in-store services. We are a partner of the major luxury and beauty houses at the point of sale, providing merchandising, layout and niche packaging solutions, in a very qualitative way, thanks to the excellence of our employees and their know-how, with a strong sense of ethics, innovation and commitment to sustainable development.

The history of DIAM began in 1973 in France. Today, the DIAM Group has around 3200 employees in 20 countries and 30 locations. It acts as DIAM and with eight different brands, such as Prugent for the layout and B2D for the circular economy. Since 2009 and its accession to the United Nations Global Compact, DIAM has gradually accelerated its commitments and actions in terms of social responsibility, first to implement strong social requirements, when it is established in many countries, then with broader commitments (social, governance and environment), from 2017, when a dedicated team is recruited, expert on CSR issues, to support management. The environmental roadmap became more ambitious in 2019 thanks to the Science-Based Targets (SBT) commitment, validated in 2021 by the SBTi organization on a 1.5° We engage very strong actions on life cycle assessments, eco-design, materials and the circular economy. We are fortunate to play a unique role as an influencer in our industry, in close proximity to our customers, almost all of whom are committed to the same SBT trajectory. We are all demanding and willing: we share the same climate goals and can help our customers achieve theirs, and vice versa.

DIAM is aware that biodiversity is, along with climate, one of the most critical planetary boundaries, and wanted to make an initial assessment of its impact in 2022, to then generate the necessary actions, convinced of the strong link between measurement and progress. After these measures and the launch of dedicated actions, the Group now feels able to commit to the act4nature international initiative to continue to improve.

Materiality Analysis

We carried out an initial materiality analysis in 2018 and updated it in 2023. On this (see figure below), we observe that biodiversity is the most important change in the matrix: it goes from an element considered unimportant for our activity and our stakeholders to a fundamental element for DIAM and humanity.



In 2022, we measured our first biodiversity footprint. To do this, we were accompanied by the consulting firm I Care & Consult and its experts who helped us determine the biodiversity footprint according to the Product Biodiversity Footprint (PBF) method, expressed on the basis of a Potential Lost Fraction of species per year and per km² (PDF.km².yr).

This methodology is based on the Life Cycle Assessment (LCA) and the Impact World Plus database. It used all physical flow data and geographical information from our industrial sites. Our impact in 2022 was valued at 48.4 PDF.km².yr. The purpose of this first assessment was to help us identify where to act to reduce our biodiversity footprint. The most striking lesson from this analysis is the fact that the distribution of impacts by phases of the life cycle shows strong similarities with those of our carbon footprint: the two most impactful phases are by far raw materials and the use of products in stores. This is because DIAM buys wood, metal and plastic pellets and transforms them into furniture for shops. These pieces of furniture often have lighting elements built into them, to better highlight the products offered by the brands to their customers. The electricity consumption of these lights is the first item in DIAM's carbon and biodiversity footprint. This global analysis at the company level is also corroborated by the life cycle assessments (LCAs) that we carry out daily to manage the eco-design of our products. So LCAs, the carbon footprint and this first biodiversity analysis are pushing us to use similar levers to reduce our impact on both carbon and biodiversity.

We are aware of the limitations of this first biodiversity impact assessment, and that is why, in the biodiversity policy we established in 2022, and in our act4nature international commitments, we want to monitor the evolution of methodologies, while acting pragmatically today.

Individual Commitments

Grid of Individual Commitments						
Common Commitments*	Description SMART commitment	Scope of activity	Indicator	Objective measurable	Deadline	
	1. Measure, evaluate, improve					
3	1.1 We intend to review our biodiversity analysis by 2027, as methodologies are still relatively fluid, so it may be relevant to reassess our impact and objectives with a more advanced methodology.	All DIAM's activities	Biodiversity footprint.	Updating our biodiversity footprint.	2027	
3	1.2 Identify production sites with a potentially more critical impact on biodiversity.	DIAM's production sites	Biodiversity hotspot.	Mapping of sensitive sites 1.	2024	
1 10	1.3 In order to ensure that DIAM is on the right trajectories, we plan to commit to SBTn by 2030 ⁽¹⁾ . To do this, we want to carry out steps 1) Evaluate and 2) Interpret and Prioritize by 2027, based on a new biodiversity impact analysis. Step 1 will be ensured by Commitment 1.1. in 2027.	All DIAM's activities	Rate of Completion.	Completion of SBTn Milestones 1 & 2 by 2027 as an intermediate milestone.	2030	
2. Eco-design our products						
2 4	2.1 Today, DIAM consumes 52% of wood and wood derivatives from certified forests at all of its 26 production sites. By 2025, we are committed to using 100% certified wood and wood products in production.	DIAM's production sites	% of certified wood purchased.	100% certified wood by 2025.	2025	
4 5	2.2 DIAM has set up a circular economy system for POS displays: Back2DIAM (B2D) ^[2] . By 2030, we are committed to recovering at least 10% of the volumes we bring to market to integrate them into the B2D service.	Merchandising solutions (72% of DIAM Group sales).	Tons of recycled POS displays.	Recovery of at least 10% of market volumes via service offerings.	2030	
4	2.3 Systematically carry out a life cycle assessment (LCA) on «large» projects, i.e. on all calls for tenders over €1m.	Any DIAM	LCA Score in Points (Pts).	% LCA achieved on calls for tenders above 1m€.	2025	
3. Develop in-house knowledge						
	We want to make 100% of our employees aware of biodiversity erosion by 2025:					
8	3.1 Training of the DIAM CSR team for the MEDEF MOOC ⁽³⁾ .	Central CSR management	% of targeted people who attended the MOOC.	100% of people in central and key positions related to biodiversity have followed the MEDEF MOOC ^[3] .	2024	
8	3.2 Realization of a webinar or training (online and in the factory) for all DIAM staff based on the MEDEF webinar and other sources, and on the basis of DIAM's CSR policy, to make it known and launch concrete actions in the field.	Any DIAM	% of the DIAM popu- lation who attended the webinar.	50% of DIAM staff (offices and factories).	2025	
4. Contributing to the regeneration of nature						
6 7 8 9	4.1 Ask each DIAM site to implement concrete actions in favor of local biodiversity (e.g. avoid mowing during flowering periods, install ecological infrastructure, insect hotels, hedges, ponds, etc.), according to what makes sense on the site.	Any DIAM	% of sites that have implemented concrete actions.	50%	2026	
2 6 7 9	4.2 Promote biodiversity in the massifs from which DIAM sources its wood products: either through direct contributions to projects promoting biodiversity, or ideally, by purchasing our panels from working forests that are exemplary for biodiversity (e.g. FSC ecosystem services or others). <i>This objective remains very difficult to quantify today, but it is nevertheless one of our ambitions through a pilot project on the PRUGENT Lannemezan site.</i>	Prugent Europe	I.E.: ratio between our positive contri- bution and our volumes purchased. EITHER: % of the volume purchased comes from forests that have actions for biodiversity.	Option 1: Ratio: 50% Options 2: Volume purchased from plots where DIAM implements restoration actions: 15%.	2030	

https://sciencebasedtargetsnetwork.org/

- B2D offers a complete recycling solution by working with retailers and luxury brands to recycle and reuse discarded POS 2 displays. More information: <u>https://backtod3.com/</u>
- MOOC developed by the LPO in partnership with the Mouvement des entreprises de France and the financial support of the French Office for Biodiversity «Entreprises & Biodiversité: passer à l'action!»: <u>https://mooc.formation.lpo.fr/enrol/synopsis/</u> index.php?id=4