

ANNUAL
REPORT
2022/23

BUILDING THE FUTURE

FM > LOGISTIC

For several decades, the men and women of FM Logistic have been working in jobs that directly interact with society. This society is dynamic and brings new challenges every day.

As consumption patterns undergo profound transformations and the commercial landscape shifts paradigms, uncertainty reigns and demands continuous resilience. Mass production has given way to personalisation, norms have dissolved, exceptions have become the rule, and sustainable development is now a prerequisite.

Our company is capable of addressing these challenges one by one. United by our vision and values, we know how to reinvent ourselves and create tailored solutions, always driven by excellence and innovation. This is precisely what it means to be in a business that directly interacts with society. We understand how to engage with society, listen to its needs, sometimes anticipate them, navigate through difficulties, and actively contribute to its changes in order to have a positive impact on the world.

With a strong focus on pooling, coordination, precision and innovation, we work together to tackle increasingly ambitious challenges, and every day, commit ourselves to the future. Today, FM Logistic is working for the benefit of all, making us all proud.

« *Building the future* ».

A POSITIVE IMPACT ON THE WORLD

ANNUAL
REPORT
2022/23

FM LOGISTIC

- 06 Key figures
- 08 Editorial by
Jean-Christophe Machet
- 10 Highlights
- 14 Editorial by Jean-Claude Michel
- 16 Board of directors
- 18 Executive committee
- 20 Focus on omnichannel
and control towers
- 24 Commitments
- 34 Sustainable innovations
- 36 FM Foundation
- 39 Financial statements



FM Logistic has established itself as a key player in the supply chain. With 28,200 employees, 14 countries, 3 continents and 4.8 million m² of warehousing space in operation, FM Logistic's partnership with its sister company Batilogistic continues to prove its relevance. It is a unique model that has shaped the year's successes, despite a challenging global context. As an independent, family-run business, FM Logistic has shown flexibility and constant adaptability this year.

With a new governance structure that perfectly reflects the balance between family ties and openness to the world, the Group has reaffirmed its strength by combining strategic vision with operational excellence.

The Group's significant international expansion reflects the dynamism of its business model. FM Logistic has consolidated its strategic pillars and renewed its commitment to energy frugality, including the installation of the very first hydrogen station in Spain.

reference

2022/23

1,713

Revenue in m€

2021/22 Revenue in m€ 1,519 Variation +12.80 %

1,634_{m€}
variation
excluding currency
effect: +7.58 %

36.2

EBIT in m€

2021/22 EBIT in m€ 31.5 variation +15.04 %

30.7_{m€}
variation
excluding currency
effect: -2.28 %

262

new contracts in m€

With 65% of its revenue generated outside of France, FM Logistic is both a local and international company, with dynamic activity in the 14 countries in which it operates.

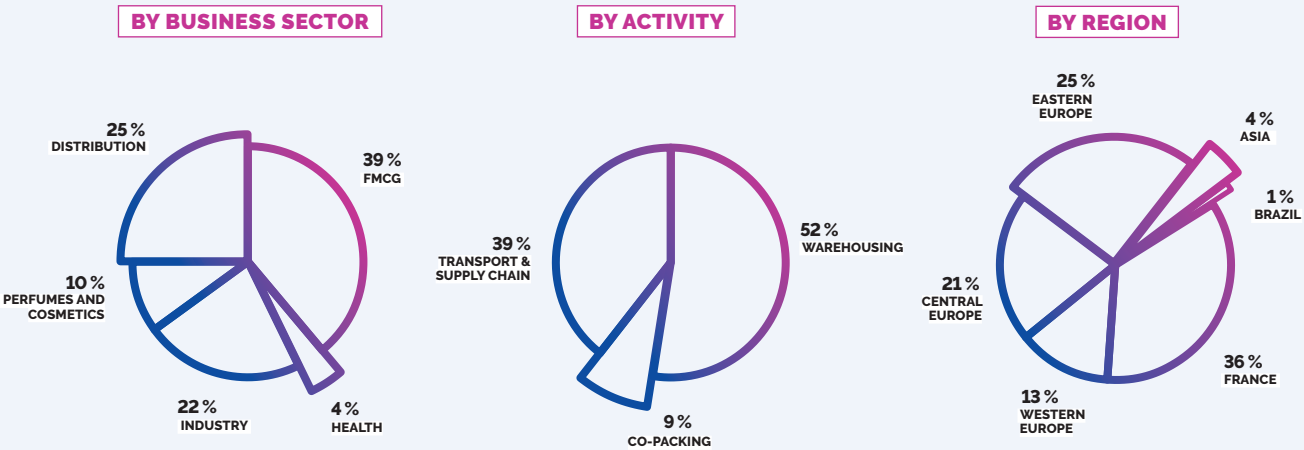
87 nationalities
are represented in the Group

28,272

57 % of men and 43 % of women

Headcount 2021/22 28,600

Revenue breakdown



Jean-Christophe Machet
CEO, FM Logistic

“STRONG, OMNICHANNEL & SUSTAINABLE”

In 2022/23, our strategy for a sustainable omnichannel supply chain has gained traction in the market with numerous omnichannel projects won and significant growth.

FM Logistic demonstrated its resilience in 2022. Despite the war in Ukraine, rising energy costs and significant inflation - as high as 17% in some European economies - we have stayed the course and even improved our results. There are many reasons for this success. Faced with rising costs, we have drastically accelerated the reduction of our energy consumption in all the Group's countries. With our customers, we also put in place mechanisms to allow us to adjust our prices in line with costs variation. This work was done in a spirit of transparency and cooperation.

We also owe our significant growth to our strategy in favour of a sustainable omnichannel supply chain. We won numerous omnichannel projects. I am particularly proud of our ability to act as a «control tower»* to manage all distribution channels for our clients, both in France and internationally, such as in India, where we are experiencing extraordinary development with over 5,000 employees in 2022.

We want to support this growth through the digitisation and automation of our processes. This transformation will enable us to improve

both working conditions and productivity, in the interests of safety and enhanced operational performance. We aim to have warehouses and teams «enhanced» with these technologies. Five automation projects are currently underway. We need to continue our training initiatives in these new technologies and equip ourselves with tools that will make us more agile and efficient.

None of this would be possible without strong and inspiring governance. We have reorganised our decision-making bodies in a single board of directors for FM Logistic and Batilogistic, at the service of FM Group. It is made up equally of family shareholders and independent directors. With the addition of seven new members, including four from different sectors, we encourage open exchange and constructive challenge to find better solutions together. We uphold our vision, our pursuit of performance and our focus on the long term. And the long term begins now!

Our challenge

Balancing ecological sustainability and economic performance. More than ever, our shareholders and customers are demanding that we be a responsible environmental player. Carbon emissions dashboard, investments in photovoltaic cells, nearing 20 years of pooling... Supply Change remains our priority!

*read more on page 21



FM LOGISTIC



26.6%

less carbon emissions by the Group's warehouses in 2022.

SPAIN > FIRST HYDROGEN STATION.

FM Logistic is the first logistics company to install a hydrogen filling station in Spain. Located in Illescas, it produces 45 kg of green hydrogen per week and provides the equivalent of the consumption of 18 forklift trucks operating 12 hours a day.

HYDROGEN.
Forklifts equipped with new hydrogen-fuelled batteries at Illescas.

LOCUS.
Robots working hands in hands with the teams to help with orders' preparation.

Poland > Acceleration of automation.

FM Logistic is continuing to automate its warehouses with the deployment of 46 Locus robots for IKEA at the Wiskitki platform in Poland. On this 16,000 m² site, the robots support the teams in processing parcel orders: they can lift up to 36 kg and can prepare four orders simultaneously.



Energy > Energy frugality at the heart of FM Logistic's action plan. One year after announcing its goal of carbon neutrality across all its sites by 2030, FM Logistic has reaffirmed its commitment to more responsible consumption through voluntary management supported by 75 priority actions for energy optimisation. This approach takes on even greater significance in a context of rising and volatile energy costs.

**HIGHLIGHTS
2022/23**

HIGHLIGHTS 2022/23

Industries > Strengthening activities with industrial clients

FM Logistic actively contributes to the reindustrialisation of France by managing the downstream logistics of French ball bearing manufacturer NTN-SNR. From the warehouses in Annecy (18,000 m²) and Saint-Vulbas (12,000 m²), FM Logistic handles a wide range of activities, including reception, storage, order preparation, co-packing, and shipping.



DI AN.
A logistic warehouse ideally located to carry out urban and omnichannel operations.

Vietnam > **Strengthening omnichannel logistics activities.** The opening of three sites in Binh Duong, Di An and Ho Chi Minh has enabled FM Logistic to win new contracts. Its customers include one of the leading retailers and the leading paper manufacturer, for whom FM Logistic will manage all its omnichannel logistics.



SUPPORTING THE DEVELOPMENT OF GROUP SEB.

For Group SEB, FM Logistic manages logistics activities for the Western Europe region from a single warehouse based in Bully-les-Mines (62). To support the launch of activities on this new 100,000 m² site, FM Logistic has filled more than 200 positions, including 20 for people with disabilities.



30%

of growth in India and Vietnam in 2022

Omnichannel > **Optimising flow management through control towers.** In a context of increasingly complex sales channels, the control tower proves to be a valuable ally in efficiently and sustainably managing the supply chain. For its customer Shiseido, the control tower set up by FM Logistic ensures execution monitoring, transport and customs procedures in 122 countries.

India > A new contract with Benetton.

United Colors of Benetton has entrusted the management of its omnichannel logistics to FM Logistic, which establishes itself as a key partner in the brand's growth in India. At its new 33,000 m² multi-customer site in Farrukhnagar, FM Logistic also handles labelling, repackaging, returns management and refurbishment.



Editorial by **Jean-Claude Michel**

Chair of the FM Group board of directors

PRECISION, ORGANISATION, RESULTS

While 2022 was a challenging year, the Group adapted to remain competitive. The results for the last quarter of the year show a significant improvement and the outlook for 2023/24 is encouraging.

The outlook for 2022/23 is mixed. Yet there is every reason to be optimistic. Despite the difficult environment caused by the war in Ukraine, FM Logistic has recorded strong growth, with total revenue up 13% to more than €1.7 billion. Another encouraging sign is the clear improvement seen in the last quarter. The company's service offering remained truly competitive, it managed to build customer loyalty and achieved some major successes:

- **FM Logistic succeeded in optimising its costs**, improving productivity and renegotiating pricing conditions with its customers.
- **The international investments paid off**. The Group's development in Vietnam and India is a case in point. Another example is Brazil, where the Group has seen significant progress since January.

Our challenge
We need to pursue our ambitions by transforming our corporate culture: we need to keep the spirit of customer service without stepping aside, and charge a fair price for our services.

In parallel, what allowed the Group to maintain its attractiveness is its ability to adopt a «crisis management» mindset and make strategic decisions:

- **In compliance with European legislation**, FM Logistic in Russia became an autonomous subsidiary, and Batilogistic divested some of its warehouses in Russia to reduce its debt.
- **In Ukraine, operations continued throughout the year** to serve the local communities while ensuring the safety and support of employees on the ground.
- **Furthermore, changes in corporate governance**, with the merger of our decision-making bodies and the arrival of new first-rate directors, have given the Group a new dynamism. FM Logistic and Batilogistic now have a single board of directors serving the Group's long-term vision. This new governance brings more fluidity and

better cross-pollination of expertise, with directors who possess both a business vision and a concern for on-the-ground realities.

These decisions reflect the Group's ability to challenge and reinvent itself to ensure a sustainable future.

For the upcoming year, activity volumes are strong, and the outlook is positive. The Group will continue to pursue the same ambition: to capitalise on its know-how and re-focus with purpose on the fundamentals of the business, while maintaining its focus on innovation. This will necessarily involve stepping up the pace of robotisation and automation. This is the best way to ensure the transition to the «precision, results and organisation» triptych.

+13%

FM Logistic has recorded strong growth with a total revenue of more than €1.7 billion, up 13% on last year.

know-how



FRANCK BRUEL
INDEPENDENT DIRECTOR
Franck Bruel brings extensive commercial and managerial experience gained throughout his career in international groups such as Engie, L'Oréal, Pinault Distribution, Samse, Saint-Gobain, and Sonepar. He currently serves as a senior advisor at the Boston Consulting Group.



ANNE-LAURE FELDKIRCHER
INDEPENDENT DIRECTOR
Anne-Laure Feldkircher joined the strategy department of Hermès in 2013, and later joined the Casino group. In 2018, she became director of strategy and M&A for the Fnac Darty group, where she now serves as director of services.



CHAIR OF THE BOARD OF DIRECTORS
JEAN-CLAUDE MICHEL
Non-executive chair of the board of directors of FM Logistic and director of FM Holding since 2011, Jean-Claude Michel previously held senior management positions at Norbert Dentressangle. He is also chair and shareholder of several start-ups.



MARIE-LAURE FAURE BERTON
FAMILY DIRECTOR
Marie-Laure Faure Berton is chair of the management board of FM Holding, director of Group values and managing director of FM Foundation. This entity aims to strengthen the Group's corporate social responsibility and bring its values to life.



VINCENT MACHET
FAMILY DIRECTOR
After more than 20 years' experience in managing an SME in the service sector, Vincent Machet is now developing a property business. He joined the Group's board of directors in October 2022.



OLIVIER FAURE
FAMILY DIRECTOR
Until October 2022, Olivier Faure held the position of president of FM Holding Corporate. Having joined the company in 1991, he was responsible for all support functions for FM Logistic operations as DTASI and then executive manager business support.

Board of directors

In 2022/23, the decision-making entities of FM Logistic and Batilogistic were brought together under a single board of directors, with Claude Faure, and a member of the 3rd generation of shareholders serving as permanent guests.

decisive



MARIE-LAURE MAZAUD
INDEPENDENT DIRECTOR
Since 2013, Marie-Laure Mazaud has been the chair of the accounts and risks committee of FM Group. In addition to this responsibility, since 2021 she has been the deputy CEO of STOA, the investment branch launched by Caisse des Dépôts (CDC) and the French Development Agency.



SIMON MARRISON
INDEPENDENT DIRECTOR
Simon Marrison is a recognised property investment specialist. After 18 years at LaSalle Investment Management, where he chaired European activities, he joined KKR in 2020 as a senior advisor for property in Europe.



JANET DEKKER
INDEPENDENT DIRECTOR
A Dutch national, Janet Dekker has over 30 years of experience in human resources. She has held positions at an international level in family groups such as Bacou Dalloz or at Sodexo, LVMH or more recently at Safran.



ALEXANDRE MACHET
FAMILY DIRECTOR
Since 2016, Alexandre Machet has been the CEO of Hyper U Reims Village. He has a wealth of experience in food retailing, having joined Super U in 1998 as a store section manager, becoming store director in 2001 and then CEO of several Super U stores.



MARIE BASTIAN
FAMILY DIRECTOR
Trained as an accountant, Marie Bastian worked as a physics and chemistry teacher before taking charge of the accounts of a property management company set up with her husband. She also holds a certificate in governance and management of family businesses from HEC - IFA.



VÉRONIQUE FAURE
FAMILY DIRECTOR
Former deputy director of the Matmut group, Véronique Faure holds a certificate in governance and management of family businesses from HEC - IFA. Today, she has put her expertise at the service of the Group's associative project, helping to develop its strategies.

YANNICK BUISSON
MANAGING DIRECTOR
FOR FRANCE, SPAIN
AND CENTRAL EUROPE

CÉCILE CLOAREC
DIRECTOR OF
HUMAN RESOURCES,
COMMUNICATIONS
AND SUSTAINABLE
DEVELOPMENT

**JEAN-CHRISTOPHE
MACHET**
CEO FM LOGISTIC

**SÉBASTIEN
MAQUET**
GROUP FINANCE
AND PURCHASING
DIRECTOR

**CHRISTOPHE
MÉNIVARD**
MANAGING DIRECTOR
FOR EASTERN
EUROPE AND ITALY

**STÉPHANE
DESCARPENTRIES**
ASIA, STRATEGIC
PROJECTS AND
MERGERS & ACQUISITIONS
DIRECTOR

XAVIER PREVOST
BUSINESS SOLUTIONS,
INFORMATION
SYSTEMS, TRANSPORT,
OMNICHANNEL AND
URBAN LOGISTICS
DIRECTOR

**HERVÉ
HOCHSTRASSER**
LEGAL, COMPLIANCE,
AUDIT AND SECURITY
DIRECTOR

BÉATRICE OGÉE
SALES AND
MARKETING
DIRECTOR

committed

The executive committee

“Trust, performance, and openness are the guiding principles for the successful completion of the company’s project and the satisfaction of clients and employees. The executive committee enthusiastically strives to bring them to life while respecting the Group’s culture.” Jean-Christophe Machet

Omnichannel

MEETING THE CHALLENGES OF E-COMMERCE



Transforming omnichannel activities to meet the demand for e-commerce.

In France alone, e-commerce is set to grow by 13% to €146.7 billion by 2022. At FM Logistic, e-commerce accounts for almost 20% of revenue and 60% of its new contracts involve omnichannel activities. Faced with this new growth opportunity, FM Logistic is transforming its supply chain, making it more agile, efficient and sustainable.

This transformation is reflected in investments in its network of multi-customer logistics platforms and in the automation of these platforms to improve processes' efficiency and facilitate teams' work. A number of systems have been put in place, such as the use of automated guided vehicles in the Neuville-aux-Bois warehouse (France) and the use of the MiR500 mobile robot for transporting pallets and heavy loads in Poland. These systems are complemented by data analysis to optimise stock locations.

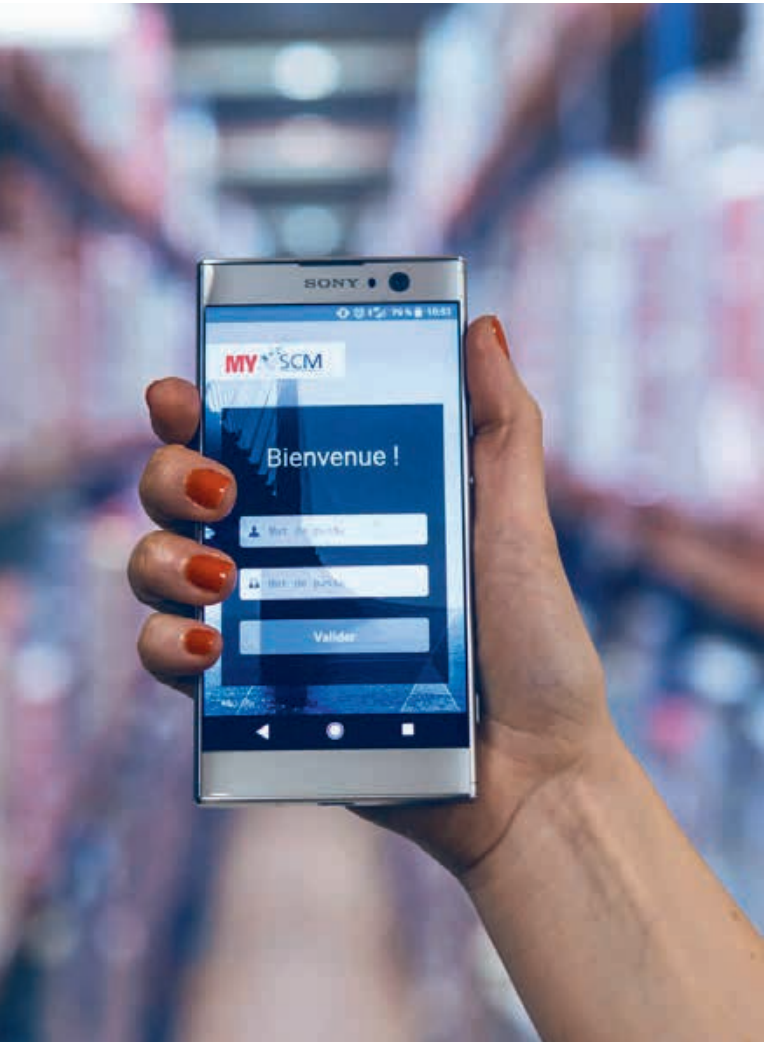
MIR 500.
A collaborative robot tested in Jarosty, Poland, to carry out empty pallets.

20%
of revenue generated by e-commerce activities

The transformation of the supply chain also involves tailor-made support for customers in their e-commerce operations. From order preparation to returns management and urban delivery, FM Logistic provides expertise at every link in the chain. The goal is to achieve an optimal customer experience while adhering to principles of social and environmental responsibility.

Control towers

CONDUCTORS OF THE SUPPLY CHAIN



MySCM
A digital portal providing customers with a real-time view of their supply chain.

The advent of omnichannel delivery has made the supply chain more complex, a trend that continues to be reinforced with the emergence of new delivery constraints such as vehicle limitations, weight restrictions, and restricted access zones. In this new context, logistics is becoming the cornerstone of customer satisfaction, and brands need reliable allies. To establish itself as a leading partner, FM Logistic has come up with a major innovation: the control tower. The control tower is a single point of contact between all the different players in the supply chain. It acts as a real conductor of the entire supply chain. At the heart of the control tower promise are:


- **Data visibility** and real-time generation of quality data.
- **Optimisation and continuous improvement** of the chain through the identification of weak points and proactive consolidation.
- **Resilience**, with the control tower's ability to make the supply chain more robust.

The control tower, whose parameters can be adapted to customers' needs, has a highly positive impact on the supply chain, considerably improving efficiency, reducing costs, and lowering the carbon footprint. To date, FM Logistic has set up control towers for five customers, including Shiseido in France, which manages customs procedures for deliveries to over 120 countries, and a giant in the automotive sector, which manages all its inbound flows from several hundred suppliers to its plant in southern India.

OUR COMMITMENTS FOR AN EFFICIENT, SUSTAINABLE, AND RESPONSIBLE SUPPLY CHAIN

BUILDING TOGETHER A VIRTUOUS ECOSYSTEM

Our ambition to deploy supply chains that are more responsible, more resilient and adapted to consumer needs is part of our daily lives: when we build effective and relevant solutions with and for our customers, when we innovate with Batilogistic to make our platforms more sustainable, when we support the integration of the most disadvantaged with partners and associations through our FM Foundation. We are committed to making the company a vector of innovation with a positive impact on its customers, its teams and on the planet.



WE INNOVATE WITH PURPOSE (OR WE DON'T)

Innovation at the service of our teams and customers.

FM Logistic invests heavily in innovation, not only to enhance competitiveness and meet the quality requirements of its customers but also to facilitate and improve working conditions for its teams. Digitisation is also a major asset in building a sustainable omnichannel supply chain. For these reasons, FM Logistic has been accelerating its digital transformation for several years. The company also considers automation and robotisation to be strategic priorities for improving agility, quality and operational performance.

Effective use of data.

Thanks to data, FM Logistic offers its customers an optimal and seamless supply chain with controlled and reduced CO₂ emissions. This is demonstrated by the deployment of control towers from which information can be shared to provide end-to-end visibility of the supply chain, the implementation of dashboards that measure the environmental impact of its customers' warehousing and transport activities, and pooling,

→ 80%
reduction in arm
and back activities
with the Ergoskel

which requires cutting-edge digital solutions and can reduce CO₂ emissions by 35%. At the same time, FM Logistic is educating and training its employees in the autonomous and intelligent use of data to optimise all their daily operations.

Warehouse automation and robotisation.

As a logical extension of digitisation, automation is at the heart of FM Logistic's strategy. Automated parcel sorters, packaging machines that adjust carton height to the size of the parcel, autonomous pallet transport trolleys... the company is implementing various automation systems to improve processes and make the work of its teams easier.

This year, FM Logistic continued to roll out a trio of «good-to-person» solutions on the Group's platforms: Locus assistance robots, Geek+ mobile picking robots and the Autostore solution for unit order preparation. These systems help reduce the movement of order pickers. In Poland, where 46 Locus robots have been installed, almost 50% of orders are processed automatically. This gives customers an extra 2.5 hours to place an order, with guaranteed next-day delivery.

The company, which is keen to protect the health of its teams, has begun marketing its own device to order preparation: the Ergoskel, an exoskeleton which reduces the activity of the upper limbs and back by 80%. At the same time, FM Logistic is testing other technologies such as virtual reality, connected clothing, and an application that warns of high-risk situations. All of these initiatives are coordinated within the well-being, health, and occupational safety department.



Faced with upheavals in consumption patterns, FM Logistic is adapting to the new demands of its customers.

Consumers have changed: they are now omnichannel. As consumption patterns become more digital, the supply chain must become more flexible, efficient and sustainable. Since October 2021, the Group had integrated these new consumer trends into its "Powering 2030" plan, which included strengthening its omnichannel e-commerce solutions. With 60% of new contracts relating to omnichannel activities in 2022, the relevance of this strategic decision is confirmed.

Towards an integrated customer experience.

Today, in order to meet customer satisfaction, brands can no longer focus solely on the product but must also offer a quality purchasing experience. To adapt to the specific needs of brands and the requirements of the end

→ 60%
of new contracts
are relating to
omnichannel
activities in 2022

consumer, FM Logistic offers tailor-made services: traditional logistics, reverse logistics, in situ operations, and more. FM Logistic is capable of intervening throughout the entire chain, from procurement logistics to customer service, including order preparation, packing, last-mile delivery, and returns management. For its client Maxi Zoo, FM Logistic manages not only the warehousing and supply of its 263 stores throughout France but also the preparation and shipping of orders placed on the brand's online store.

From supply chain to Supply Change.

Convinced that the future of logistics also lies in sustainability, FM Logistic is taking action to promote more responsible consumption, in response to the growing demands of consumers. The company has therefore extended its range of alternative delivery methods, in particular with City Corner, a brand of automated shared lockers that helps to limit the flow of home deliveries. It also provides its clients with a dashboard to measure the carbon impact of their warehousing and transport activities and collaboratively build a more sustainable supply chain. At the same time, FM Logistic is working with distributors to develop new ways of consuming. The company is testing bulk sales of dry products from various brands in collaboration with three retailers. Through these innovations, FM Logistic aims to build a sustainable and responsible supply chain alongside its clients, in line with its tagline Supply Change.



→
**WE ARE INSPIRED
BY CONSUMERS**

WE ACT COLLECTIVELY TO DELIVER POSITIVE IMPACTS



To achieve a sustainable supply chain, FM Logistic focuses on the well-being of its teams and the collaboration of its customers.

People are at the heart of FM Logistic's priorities. Last February, the Group co-lead the publication of a toolkit on arduous work in warehouses for the France Supply Chain association. It includes 130 best practices aimed at improving working conditions in warehouses. This concern for improving the well-being of teams is also reflected in the deployment of an in-house ergonomic measurement tool, Ergoscan, to assess the ergonomics of workstations. And well-being goes beyond the safety and health of teams. FM Logistic is also committed to inclusion and diversity. To promote the professional integration of people with disabilities, the Group has developed its network of adapted companies (FMEA). Gender equality continues to progress (women represent 43% of the headcount). As a Group with an international reach, FM Logistic is also multiplying its initiatives abroad. In India, a country where the logistics jobs are mainly male, the Group has achieved parity within its teams on one of its projects for a major international client!

→ **75 energy optimisation actions implemented at our sites**

A collaborative low-carbon strategy.

To achieve carbon neutrality by 2030, the Group has defined 75 priority energy optimisation actions to be implemented at all its sites. Eco-design is one of these: all the sites are HQE or Leed certified. The recent opening of the first site in India is no exception to the rule (the Farrukhnagar site combines FM Global and Leed Silver certification). In India too, as in France, Spain, Italy and Poland, electricity is generated

using photovoltaic panels. Ultimately, this energy will power all the Group's sites. The aim is to produce more energy than the warehouse consumes in order to produce hydrogen to power the fleet of vehicles. This approach is already being tested in Spain. The hydrogen station at the Illescas site can power 18 forklift trucks and the urban delivery vehicles. To achieve its ambitions in terms of renewable energies, FM Logistic is working in a collaborative way. The Group supports its customers in building sustainable solutions, including implementing a dashboard to track the environmental impact of their logistics activities and identify the levers to activate for progress. This is just the beginning: by 2050, the Group aims to offer sustainable solutions to its customers in all its activities. To achieve this, it is exploring various avenues of action, including bulk sales pilots, re-use and eco-packaging solutions, and logistics flow simulation tools that compare energy impacts.

WE ARE
A “BEST IN
CLASS” MODEL,
WITH A LOCAL
FOOTPRINT

With the Citylogin and Station Colis @Westfield solutions, FM Logistic is rethinking the last-mile challenge and offering the beginnings of a response to the problems faced by towns and cities in terms of mobility and carbon emissions.

As an expert in the end-to-end supply chain, FM Logistic did not wait for the explosion in online sales following the health crisis to rethink its last-mile logistics. Back in 2014, the company deployed Citylogin in Rome. The idea was to relieve congestion in the city centre by using warehouses on the outskirts and small electric vans. A real success, in line with FM Logistic's commitment to innovation and sustainability in urban goods distribution. Citylogin now covers 13 European cities, including 10 in Spain.

→ 13
European cities
where Citylogin
is present

In October 2022, a 600 m² urban mini-hub was opened in Zaragoza. Equipped with recharging points to power a fleet of 20 electric delivery vehicles, this mini-centre, which can distribute more than 1,500 parcels a day in the centre of the Spanish city, echoes the 200 m² centre installed a year earlier in the underground car park of the Plaza Mayor in Madrid.

Revitalising the city centre.

FM Logistic is facilitating local logistics with the @Westfield Parcel Station. This click & collect service, available 7 days a week and 24 hours a day, consists of several robotic lockers that can collect all types of parcels (frozen products, non-food items, bulky items...). By pooling the delivery, storage and collection flows, customers can limit the number of journeys they need to make in urban areas, thereby reducing air and noise pollution. Successfully tested at the Westfield Vélizy 2 shopping centre (78), the Station Colis @Westfield is also present since the beginning of 2023 at the Westfield Forum des Halles, in the heart of Paris. The aim is the same: to serve local residents and retailers in the shopping centre and revitalise urban spaces and neighbourhood life.

→

WE POWER OUR COMPANY BY EMPOWERING OUR PEOPLE

05

→ 12,000
courses delivered
by FM University
in 2022

A supply chain of talents.

The well-being of its employees is one of FM Logistic's top priorities, and this promise is reflected in a number of initiatives: ensuring the health and safety of teams, promoting diversity and inclusion within the Group, and offering motivating career paths. In this respect, a multitude of programmes have been set up for employees, whatever their skills level. For example, the in-house school FM University provided 12,000 training courses in 2022. Its aim is twofold: to aim for operational excellence and to respond to the changes in supply chains and the resulting changes in roles. The U Grow programme, on the other hand, prepares participants for their future advancement within the Group. Helping employees grow

also means enabling them to evolve towards different careers. The Group's career development paths offer training programs that combine theory and practice to advance in operational or cross-functional management roles.

Integrating young employees.

Retaining young employees from the moment they join the company has become a major challenge. To meet this challenge, FM Logistic has created the Young Graduate Programme. This three-year programme, designed for young graduates with a Bachelor's degree or higher, allows them to access operational management positions as well as support functions. In 2023, FM Logistic will continue to support this training programme and will also focus on improving the recruitment and integration processes for new employees.

Diversity and inclusion, enriching teams.

Improving the recruitment processes also means committing to the professional integration of the most vulnerable individuals. In March 2023, the Group renewed its partnership with the «Apprentis d'Auteuil» association through the co-creation of the SKOLA Logistique programme, which provides training opportunities within the company for low-skilled youth. Having long been convinced of the value of diversity, the Group has implemented initiatives that have yielded significant results: 30% of women in senior management positions, 15% of employees over 50, 8.2% of disabled employees in France. The company is continuing its efforts and is constantly challenging its approach with the deployment of a worldwide survey of its employees on how they perceive its actions to promote diversity and inclusion. The feedback from this survey, which praised the Group's initiatives, also helped to identify the next steps to be taken.

TOWARDS AN EVER MORE SUSTAINABLE PLATFORM CONCEPT

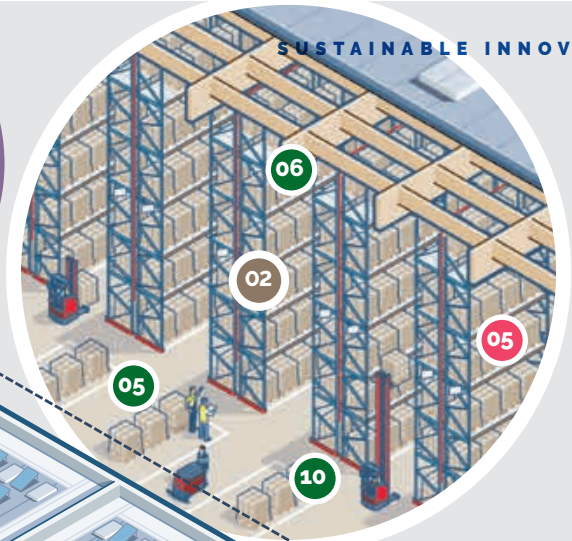
In line with the FM Group's ambition, Batilogistic is constantly innovating to offer ever more sustainable warehouses.

With the threefold ambition of halving the carbon footprint generated during construction by 2030, aiming for energy neutrality and reducing construction costs by 7%, the teams are working every day to define a more frugal warehouse concept. Simplifying and rationalising to optimise impacts and costs were their guiding principles in 2022. Based on their proposals, a number of key decisions were taken. One example was the decision to concentrate a platform's operational activity on the façade. This allows the user to limit all flows while at the same time limiting the surface area of roadways and, consequently, of various buried networks. Increasing the height of the buildings will make better use of the available land and limit the consumption of space. The use of a timber frame on our next project will result in a lower carbon footprint and the integration of carbon sinks into the building. The development of on-site renewable energy production is designed to enable users to achieve energy neutrality.

GOAL
Reduce CO₂ emissions from construction -50% by 2030

GOAL
Increase storage density vertically (+11%) to decrease land consumption by 12%.

GOAL
Reduce construction costs -7% by 2023



- ENERGY FRUGALITY**
- 01 - Photovoltaic panels
 - 02 - Shaded areas with photovoltaic panels
 - 03 - Light-coloured surfaces
 - 04 - High-performance insulation
 - 05 - 100% LED lighting with motion detection
 - 06 - Electric vehicle charging stations

- LAND FRUGALITY**
- 01 - Building volume and land surface preservation (-12%).
 - 02 - Additional verticality (+11% capacity)
 - 03 - Densification of storage

- HEALTH, WELL-BEING AND SAFETY**
- 01 - Relaxation areas
 - 02 - Driver services area
 - 03 - Bicycle shelters
 - 04 - Canopy over loading docks
 - 05 - Fire protection sprinklers

- NATURAL RESOURCES FRUGALITY, RECYCLING**
- 01 - Preserved biodiversity in landscaping
 - 02 - Eco-grazing (sheep)
 - 03 - Sorting and recycling areas
 - 04 - Rainwater penetration into the soil
 - 05 - Low-carbon paving (EcoFreePlan)
 - 06 - Timber frame structures
 - 07 - Low-carbon carpeting
 - 08 - Algae-based paint
 - 09 - Water-saving sanitary equipment
 - 10 - Reuse of rainwater (100% floor washing)
 - 11 - Construction waste recycling
 - 12 - Use of bio-based materials
 - 13 - Unpaved access roads (for firefighters)



The Pescar class
- Brazil, 2022

WORKING TOGETHER FOR A MORE INCLUSIVE SOCIETY

BRAZIL PROJETO PESCAR

Created in 1976, the Projeto Pescar Foundation is committed to the personal development and professional initiation of young people at social risk. FM Foundation has partnered with them on a «logistics school» project. Deployed on the Sao Paulo platform, then on the Canoas platform, this training relies on the involvement of FM Logistic employees who pass on their knowledge. Since 2018, more than 40 young people have obtained their nationally recognised diploma. This has enabled them to enter the job market or continue their studies.



FRANCE EMMAÛS DÉFI

For the past three years, FM Foundation has been supporting Emmaüs Défi in its mission to integrate people in extremely precarious situations. To help Emmaüs Défi in its work, FM Foundation has made in-kind (storage and transport) and financial donations, which have enabled the purchase of a new lorry and the recruitment of an operations manager to professionalise the running of their Lyon warehouse. The teams at FM Logistic France have also provided Emmaüs Défi with their expertise in negotiation, human resources, financial control, and communication.

POLAND ROBINSON CRUSOE

The Robinson Crusoe Foundation fights against the stigmatisation of young people from orphanages or foster families by supporting them in their professional integration. Since 2017, FM Logistic in Poland has developed, with the support of its employees, a theoretical and practical programme to discover the logistics jobs. This contact with the business world and the Group's employees opens up new prospects for the young beneficiaries and helps them in their transition from living with a host family to becoming independent.

548

days of skill-based
volunteer work, an increase
of 21% compared to the
previous year

1.7%

of employees directly involved in
projects, 359 people, 20% more
than last year



UKRAINE SUPPORT FOR REFUGEES

Starting in March 2022, FM Group employees have been working to assist Ukrainians. The Group supported about ten initiatives in Central Europe, in countries bordering Ukraine (Poland, Romania, Slovakia), as well as in France and Spain. The various actions carried out by employees include organising collections, transporting goods, providing housing for refugees, assisting in job searches, and improving the daily lives of children.

OUR ACTIONS

FM Logistic Corporate & NG Concept

Partnership with Vincent de Paul Foundation
Renovation of living areas in the Sainte Odile pavilion and the garden at the Mathilde Salomon hospital.
> 60 beneficiaries

Project with the Entraide Emploi association. Watch repair and recycling workshop.
> 7 beneficiaries

**FM Logistic Spain
Partnership with the NGO Save the Children.** Development of links between children and institutions to prevent them from dropping out of school.
> 106 beneficiaries

Drop project with the XV Hortaleza foundation.
Behaviour adaptation through rugby values in order to integrate professional life.
> 3 beneficiaries

**FM Logistic Romania
Project with the NGO Concordia Social Projects.** Raising awareness on traceability for future catering professionals
> 40 beneficiaries

**FM Logistic Brazil
Project with the Projeto Pescar foundation.** Training in logistics jobs to prevent social exclusion.
> 30 beneficiaries

**FM Logistic France
Partnership with Apprentis d'Auteuil Foundation** Creation of a logistics course leading to a diploma for young people with educational, social or family difficulties.
> 12 beneficiaries for the 4th promotion

Partnership with the Emmaüs Défi association. Support in many forms of patronage for the most disadvantaged.
> 1,150 beneficiaries for the 3rd year

**FM Logistic Poland
Partnership with the Robinson Crusoe Foundation.** Introduction to the business world through role-playing and internships.
> 76 beneficiaries for the 6th year

**FM Logistic Slovakia
Project with Dětský domov Sered' orphanage.** Occasional actions with children to prepare them for life outside the orphanage.
> 13 beneficiaries

**FM Logistic Vietnam
Project with Thp sáng nim tin - Light Your Hope Foundation.** Funding higher education for students with potential from disadvantaged backgrounds.
> 2 beneficiaries

**FM Logistic India
Project with Work for Equality NGO.** Certified training for minorities to ensure equal opportunities in the professional world.
> 30 beneficiaries

FINANCIAL STATEMENTS

Consolidated balance-sheet in thousands of euros

	31 March 2023	31 March 2022
ASSETS		
Intangible assets	51 589	53 067
<i>Thereof goodwill</i>	27 560	29 996
Property, plant and equipment	237 364	219 156
Financial assets	27 702	23 154
<i>Thereof non-consolidated shares</i>	98	478
<i>Thereof other financial assets</i>	27 604	22 676
FIXED ASSETS	316 654	295 377
Inventories	15 825	14 188
Trade receivables and related accounts	231 627	225 241
Advance payments to third parties	8 652	5 206
Tax and social receivables	31 787	20 477
Current accounts (debit)	4 881	174
Other receivables	2 480	3 492
Deferred tax assets	7 267	5 755
Unrealised foreign exchange losses	0	0
Prepaid expenses	8 222	6 928
Cash and cash equivalents	192 054	146 391
CURRENT ASSETS	502 794	427 852
TOTAL ASSETS	819 448	723 229
EQUITY AND LIABILITIES		
Share capital	43 485	43 289
Share premiums	6 602	6 602
Reserves	156 940	149 384
Profit for the period	19 297	12 924
Foreign currency translation adjustment	-60 531	-62 045
SHAREHOLDERS' EQUITY - GROUP SHARE	165 793	150 154
Minority interests	0	0
TOTAL EQUITY	165 793	150 154
Provisions for risks and charges	26 225	21 922
Borrowings and other financial liabilities	177 831	175 340
Bank overdraft	3 723	7 140
FINANCIAL LIABILITIES	181 554	182 480
Trade payables and related accounts	214 002	194 114
Advance payment from third parties	1 948	1 038
Tax and social liabilities	140 729	127 127
Current accounts (credit)	46 338	20 179
Other liabilities	30 638	15 092
Deferred tax liabilities	3 950	4 489
Unrealised foreign exchange gains	564	442
Deferred income	7 706	6 193
CURRENT LIABILITIES	445 875	368 673
TOTAL EQUITY AND LIABILITIES	819 448	723 229

Consolidated income statement

in thousands of euros

INCOME STATEMENT	31 March 2023	31 March 2022
TURNOVER	1 713 057	1 518 719
Write-back of provisions and depreciations	4 047	2 516
Other operating income	10 706	12 625
TOTAL OPERATING INCOME	1 727 810	1 533 861
Purchases	-92 040	-77 606
Staff costs	-504 116	-463 492
<i>Thereof employee profit-sharing</i>	-3 683	-3 432
Other operating expenses	-1 007 540	-883 908
Taxes, levies and similar payments	-14 846	-14 116
Allowances for depreciation and provisions	-64 509	-58 047
TOTAL OPERATING EXPENSES	-1 683 051	-1 497 169
OPERATING PROFIT before allowance to depreciation of goodwill	44 759	36 691
Goodwill amortisation allowance	-2 436	-2 436
OPERATING PROFIT after allowance to depreciation of goodwill	42 323	34 255
Financial profit / (loss)	-9 836	-3 144
Exceptional profit / (loss)	-8 567	-5 233
Income tax	-7 332	-12 592
Deferred tax	2 710	-364
PROFIT/LOSS FOR THE PERIOD	19 297	12 924
Attributable to:		
Minority interests	0	0
Group share	19 297	12 924

Consolidated cash-flow statement

in thousands of euros

STATEMENT OF CASH FLOWS	31 March 2023	31 March 2022
OPERATING ACTIVITIES		
NET PROFIT/LOSS	19 297	12 924
Adjustment for:		
Depreciation, amortisation and provisions	68 277	60 646
Gains and losses on disposal of fixed assets	438	1 097
Deferred taxes	-2 710	364
Unrealized foreign exchange gains / losses	368	269
Deferred expenses	0	0
CASH FLOW GENERATED BY THE ACTIVITY	85 670	75 299
Change in trade current assets and liabilities	15 315	6 762
<i>Change in inventories</i>	-1 322	-3 594
<i>Change in trade receivables</i>	-19 315	-22 224
<i>Change in trade payables</i>	35 953	32 580
Change in non-trade current assets and liabilities	35 073	6 114
CHANGE IN WORKING CAPITAL REQUIREMENT	50 389	12 876
NET CASH FROM OPERATING ACTIVITIES	136 059	88 176
INVESTMENT ACTIVITIES		
Payment / acquisition of intangible assets	-7 586	-10 382
Payment / acquisition of PPE	-55 287	-50 951
Receipts / disposal of PPE and intangible assets	4 396	9 284
Payment / acquisition of financial assets	-8 798	-3 831
Receipts / disposal of financial assets	1 976	2 821
Net cash / acquisition and disposal of subsidiaries	0	-107
NET CASH FROM INVESTMENT ACTIVITIES	-65 298	-53 167
FINANCING ACTIVITIES		
Capital increase	0	0
Dividends paid	-5 171	-6 759
Cash from borrowings	55 316	50 463
Repayments of borrowings	-69 871	-62 485
Variation of accrued interests payable	-2	-7
NET CASH FROM FINANCING ACTIVITIES	-19 727	-18 788
VARIATION IN CASH AND CASH EQUIVALENTS BEFORE EXCHANGE RATE FLUCTUATIONS	51 034	16 221
Net effect of exchange rate fluctuations	-1 955	-399
CASH AND CASH EQUIVALENTS AT THE OPENING	139 251	123 429
CASH AND CASH EQUIVALENTS AT THE CLOSING	188 330	139 251

Comments:
In conformance with the RegL ANC 2020-01, restatements at the time of contract signature of financial leases are not presented in consolidated cash-flow statement in so far as they do not generate any cash flow. For information, the value of financial leases signed during the financial year in the various companies consolidated within the FM Logistic Group is of € 17 762k (impact on the increase of gross values and of borrowings from credit institutions).

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2022/23**

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