



[December 2025]

[Groupe Etam] - Business Operations in Russia & Belarus

In response to Russia's invasion of Ukraine, B Lab has implemented additional requirements for companies with business operations in Russia and/or Belarus. As [Groupe Etam] has business operations in Russia or Belarus, the company is required to meet such requirements outlined below in order to move forward with certification.

B Lab is implementing a **phase-in approach** composed of **(1) requirements applicable immediately** and **(2) requirements to be met by recertification**.

1. Respond to questionnaire (Annex I)

B Lab will require companies with operations (including subsidiaries and business partners) in Russia or Belarus to respond to the questionnaire in Annex I. The questions assess a company's ability to implement heightened human rights due diligence in line with UNGP and UNDP's guide on conflict-affected areas. The questions are designed to assess companies' ability to analyze changes in this context and to act accordingly, their willingness to ensure their own human rights commitments are respected, and their ability to identify tipping points, or stages of the conflict that would trigger specific decision-making by the company.

2. Implement heightened due diligence

B Lab will require companies to publicly commit to having implemented heightened due diligence by the date of their next recertification, or within 36 months, whichever is later. Heightened due diligence is an **internationally-recognized best practice**, and B Lab recognizes that implementing it meaningfully takes time. Within corporate contexts, the level of maturity on heightened human rights due diligence remains low and requesting companies to implement adequate processes in a short time would invariably lead to inadequate application, be irresponsible and/or result in claims of green/cause-washing.

With the publication of this disclosure, B Lab confirms that the company is currently meeting the above requirements. The company's responses to the Questionnaire can be reviewed below. If you or someone you know is aware of any specific practices of this company related to their Business Operations in Russia or Belarus that have had a negative impact, and that may constitute a violation of the B Corp standards, please contact us via our [public complaints procedure](#).

Company Responses to Questionnaire

Company Reaction to Russian invasion of Ukraine

At the end of 2024, Groupe Etam employed 148 FTEs in Russia: 127 FTEs in its stores and 21 FTEs in its local office.

When Groupe Etam decided to maintain its operations in Russia, it took into account that its business was exclusively focused on the distribution of lingerie – consumer and leisure products. The company's products are not linked to sensitive sectors (such as defense, telecommunications, energy, or raw materials) and cannot be diverted for military purposes. As such, the company's commercial activities did not infringe on the fundamental rights of its employees or other stakeholders. However, the company froze its previously planned development projects in order to limit any expansion of its activities in this context.

The company had no production or sourcing activities in Russia. Instead, its operations were strictly limited to distribution, managed through a local office and stores mainly located in Moscow and Saint Petersburg, which are both far from the conflict zones. In addition, the company's local subsidiary, in coordination with headquarter in France, regularly assessed potential risks to its employees. As a result, by the end of 2024, no direct threats to their human rights had been identified.

As of the end of 2024, none of the company's employees had been mobilized to participate in the war. The vast majority of the company's employees in Russia were women, which significantly reduced the risk of military conscription. The company employed only one male staff member at the local subsidiary's headquarters, and he was not mobilized.

Although the company initially decided to maintain its Russian subsidiary at the onset of the Russia-Ukraine conflict, continuing operations proved increasingly difficult. The group froze all development, including new store openings, which negatively impacted the medium-term profitability of the market. Currency and supply chain difficulties further deepened the subsidiary's deficit, leading to a steady decline in revenues in recent years. Faced with this deteriorating economic and regulatory context, the group decided to close its Russian subsidiary in early 2025. The closure is being implemented progressively and will continue through 2026, in full compliance with regulatory obligations and the company's commitments to employees.

The company was not particularly exposed to human rights risks in Russia, given the nature of its products and limited scope of its operations. The company therefore did not introduce an additional specific governance process. The Russian subsidiary continued to manage commercial activities as before, in close coordination with headquarters in France. However, the company asked its managers to remain particularly vigilant and, where necessary, provide case-by-case support to employees to help them cope with the geopolitical uncertainty.

The company systematically conducts geopolitical risk analyses in the countries where it plans to open. Prior to 2022, the risk of an armed conflict initiated by Russia had been assessed as low. The Russian experience has served as a lesson: even when risks are assessed as low, escalation can occur very rapidly, requiring urgent responses. This has taught the company to

strengthen both its vigilance and its agility when dealing with geopolitical developments. The company has not set up a dedicated process, but should such a situation arise again, it would be managed on a case-by-case basis with prudence and vigilance.

Human Rights Due Diligence

In the event of a new conflict, the company would carry out a thorough assessment of human rights risks, with a particular focus on the health and safety of its employees. This remains a central factor in deciding whether to maintain or suspend the company's activities, in order to remain consistent with its ethical commitments.

Such a matter would be handled by the executive committee, following consultation with the supervisory board. Various assessments – covering human rights, as well as operational, reputational, and financial risks – would inform the decision. The company would also consult its peers, particularly those operating in the same markets, as well as organizations such as chambers of commerce and industry associations, to ensure a comprehensive and informed approach.

Two members of the executive committee are particularly involved in these processes: the CSR Director and the Human Resources Director. They ensure that human rights issues, especially those concerning the health and safety of the company's employees, are fully integrated into the group's strategic decisions.

The company does not develop new activities in conflict zones, given the high risks for its employees. The group has always consistently applied this rule. This is why the company does not have a formalized policy specifically dedicated to this matter.

The company has not implemented a specific enhanced due diligence policy, since it does not develop new activities in conflict zones. However, if the geopolitical situation were to change in a country where the group already operates – as was the case in Russia – the company would apply increased vigilance. The continuation or suspension of operations would then be decided on a case-by-case basis, taking into account the risks identified. In addition, the company is considering formalizing such a policy on due diligence in conflict-affected areas, in line with international standards, to further strengthen its framework.