

A woman with long dark hair and blue eyes is wearing a black, shiny leather jacket with a high collar and a zipper. She is looking directly at the camera with a neutral expression. The background is dark and textured.

AXELLE

Un Savoir-Faire d'Exception

CORPORATE SOCIAL RESPONSIBILITY REPORT

2025

SUMMARY

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AXELLE: A heritage rooted in Madagascar, a collective adventure looking towards the future



For thirty years, Axelle's story has been intertwined with that of the village of Lazaina, in the heart of the rural commune of Anosy Avaratra in Madagascar. As a textile manufacturer, our company has grown by forging unbreakable bonds with the local community and all our partners. Alongside the authorities, we have worked consistently to support the economic development of our region, create sustainable jobs, and encourage access to training and education. This human and entrepreneurial adventure has been built step by step, guided by the conviction that Axelle's success is only meaningful if it benefits those around us.

Over the years, we have seen the growth of fashion houses and brands that have placed their trust in us – sometimes for more than twenty years. We have accompanied them through their periods of growth as well as their periods of slowdown, sharing their ambitions, their doubts and their rebirths.

Axelle's story is also the story of our historical suppliers, with whom we are building a supply chain that aims to be sustainable and virtuous.

Today, resolutely focused on the future, Axelle moves forward in an uncertain global context with the same determination that has driven it for three decades. The company is consolidating its expertise, strengthening its processes, and investing in new skills, while returning to the essentials: a commitment to quality and on-time delivery. We are proud to create jobs, promote Malagasy craftsmanship, and contribute to local growth. Faced with the contemporary challenges of traceability and transparency, we continue on our path with humility and ambition, convinced that our heritage and collective commitment are the strongest foundations for building the next thirty years.

ARNAUD MAISONOBE
Chairman

2025: THE BEGINNING OF A NEW ERA FOR AXELLE

In 2025, AXELLE celebrates **30 years of existence**, marked by gradual growth, recognized textile expertise, and strong roots in Madagascar. Since its creation, the company has evolved and structured itself to meet the demands of international luxury brands, while remaining true to its human and artisanal values.

This anniversary year also marks a **change of leadership at the General Management level**. After five years of commitment, **Jean-Noel Joly** is handing over the reins to **Domoina Rajaonarivony**, with the ambition to continue the development of AXELLE, consolidate its achievements and support its future transformations in a spirit of responsibility and sustainability.



Taking the helm at AXELLE in this anniversary year has a special significance. The company is built on 30 years of history, expertise, and strong human commitments. My responsibility is to continue this legacy, while guiding AXELLE into a new phase of consolidation and progress, remaining true to its values and attentive to changes in its environment.

I am convinced that sustainable performance depends first and foremost on the importance we place on people. In this regard, supporting women's empowerment is a commitment close to my heart, particularly through our company daycare, which facilitates a better work-life balance. Through our Ecole des Savoir Faire, we also contribute to passing on solid skills, enabling access to decent employment and a stable income.

Finally, we are continuing to strengthen our commitments to quality, transparency, and environmental responsibility. Structuring our processes, making more responsible choices upstream, and continuously improving our impact are integral to our vision. By combining high standards, consistency, and loyalty to our core values, AXELLE will continue to move forward with purpose and determination.

DOMOINA RAJAONARIVONY
General Manager

OUR STORY

1994

- Creation of the company "PROCOM" by Bruno de Foucault located downtown
- Hand embroidery only: placemats and tablecloths
- Principal client : GALERIE LAFAYETTE
- Production of small rag dolls

1996

- The company takes the name "AXELLE"
- Creation of an embroidery and smocking workshop
- CADENCE creation: machine embroidery
- Creation of the clothing factory in Lazaina
- First production line
- Installation of the first garment-making machine
- First collaboration with KIABI, DPAM, CYRILLUS, BONPOINT and CASERO

1999

Sale of the company to Francis and Sahara Malard

2019

- Sale of the company to Arnaud Maisonobe
- Client portfolio composed mainly of brands dedicated to the women's and children's markets, with a marked development in the women's segment

2016 - 2017

- Creation of the first mesh assembly samples
- Creation of the assembly workshop

2014

Creation of the on-site medical unit

2000

- Expansion of product types to include clothing for newborns, babies, children and women
- Creation of the company daycare

2020

- Appointment of Jean Noel Joly as General Manager
- Creation of the raffia production chain
- Product and know-how development in raffia: crochet, braiding, lacing, macrame

2022

Creation of the Ecole des Savoir Faire

2023

Obtaining the Committed to CSR label - Confirmed level from AFNOR (ISO 26000)

2024

Creation of the new building dedicated to the raffia workshop

2025

- Construction of the new daycare building with an extension of its capacity
- Departure of Jean Noel Joly
- Domoïna Rajaonarivony appointed as the new General Manager

FROM OUR ORIGINS TO DAY: A STORY OF GROWTH AND PASSION



Founded in 1995 in a modest earthen-floored building, AXELLE was born from artisanal know-how combining hand embroidery, smocking and garment making. Over the years, the company has grown, structured itself and diversified its techniques, giving rise to new workshops – machine embroidery, assembly, thread crochet, raffia crochet, bobbin lace, macramé – to meet the increasing demands of major luxury brands.

This growth has been accompanied by the gradual expansion of our production sites, the development of new professions, and a constant investment in training. From fewer than one hundred employees at its inception, AXELLE now brings together more than 1,500 dedicated talents, united by the same passion for artisanal excellence.

Thirty years after its beginnings, AXELLE continues to combine heritage and innovation, drawing on its exceptional Malagasy know-how to support the biggest international brands and promote responsible luxury "made in Madagascar".

Go behind the scenes
of AXELLE's
expertise through this
video



OUR RESOURCES



30 years
high-end expertise



500K
pieces produced each year



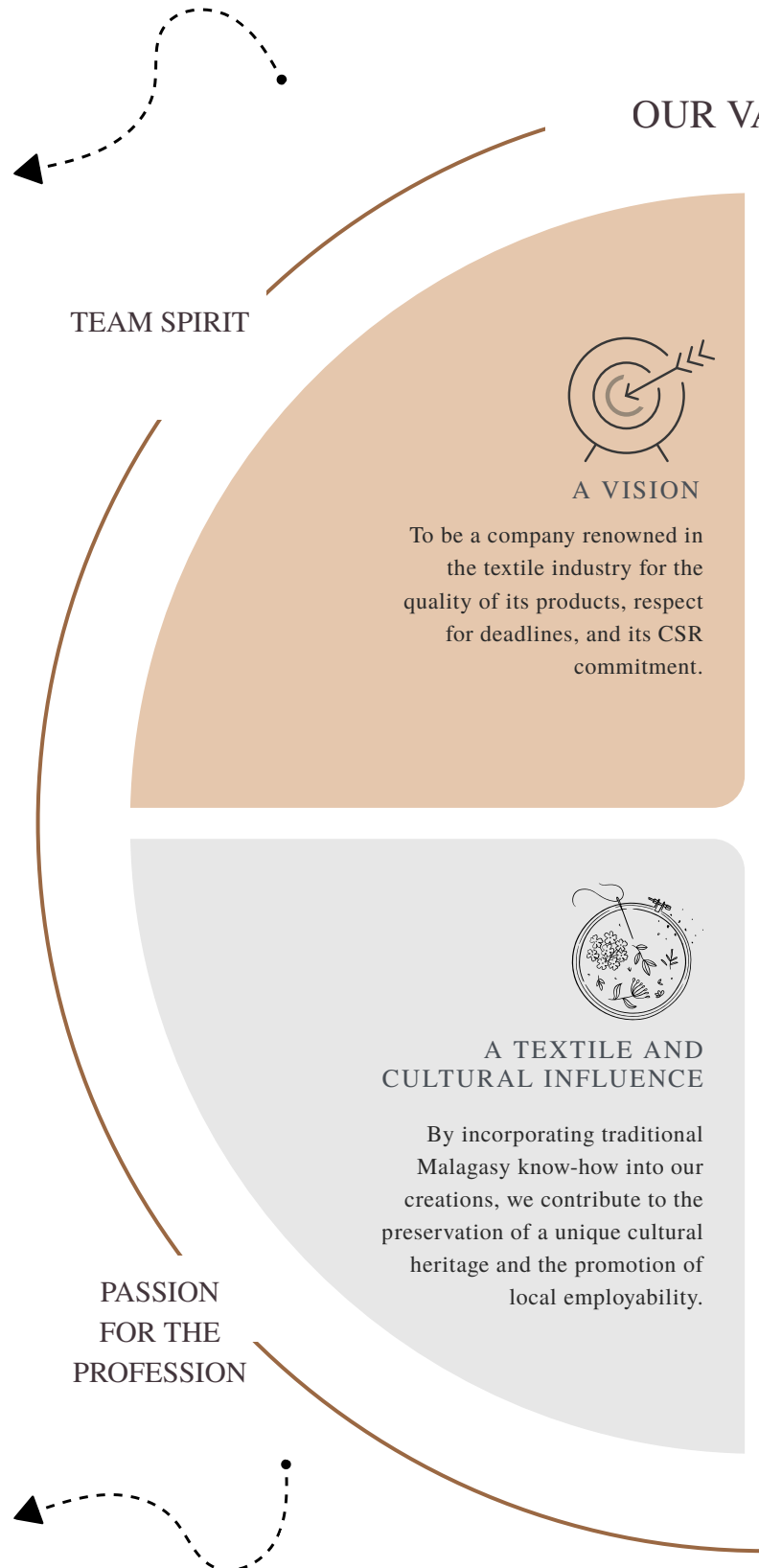
1500
highly qualified collaborators



01
accredited vocational training center for craft trades

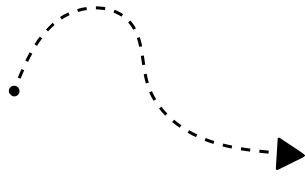
09 key professions

- Confection
- Hand embroidery
- Machine embroidery
- Crochet
- Smock
- Bobbin lace making
- Macrame
- Assemblage
- Braiding

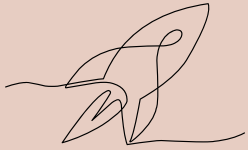


CREATION MODEL

VALUES



EXCELLENCE
IN OUR
EXPERTISE



A MISSION

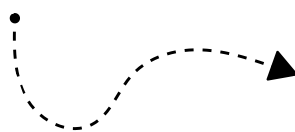
AXELLE's mission is to design and produce exceptional creations by combining artisanal know-how and innovation.



A COMMITTED COMPANY

AXELLE is implementing a Corporate Social Responsibility approach based on the ISO 26000 standard. This comprehensive approach integrates social and environmental dimensions at the heart of our development.

CREATIVITY



CREATING VALUE FOR OUR STAKEHOLDERS

FOR OUR CUSTOMERS



Commitments' respect
(Quality-cost-delivery)



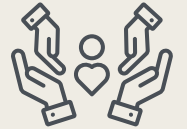
Genuine CSR
initiatives

FOR OUR EMPLOYEES

An average salary

2,76

times higher than the
legal minimum wage



Initiatives to
ensure well-being
at work



Ongoing training
programmes for professional
development and
employability

FOR OUR SUPPLIERS



Lasting relationships
based on trust and
collaboration



Ongoing dialogue to
improve CSR
practices

FOR LOCAL COMMUNITIES

+1100

jobs created between
2019 and 2025

+50%

of our employees live in the
immediate surroundings of
the company

90%

of the amount of
local purchases



collaboration with local
authorities for community
development

GOVERNANCE OF OUR CSR APPROACH

At AXELLE, CSR governance is based on a collective and committed approach, integrating all stakeholders. Structured to promote transparency, ethics and participation, it allows us to translate our commitments into concrete actions adapted to the challenges on the ground.

GOVERNANCE STRUCTURE



Strategic Committee

Conducts a comprehensive analysis of the contribution of the company's activities to sustainable development



Management Committee

- Defines the areas for improving the company's overall performance
- Collaborates with the CSR Department in the implementation of the CSR action plan



Supporting Entities

Three entities support the CSR Department in deploying the approach

- The works council
- CSR Ambassadors
- The occupational health and safety committee

OPERATIONAL MANAGEMENT



ANNUAL AUDITS OF THE POLICIES FOR DEPLOYING THE APPROACH AND THE CHARTERS



MONITORING OF CORRECTIVE AND IMPROVEMENT ACTIONS EVERY SIX MONTHS

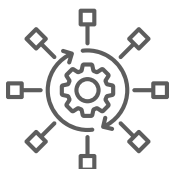


AN EMPLOYEE SURVEY CONDUCTED TWICE A YEAR



A DIALOGUE IS MAINTAINED CONTINUOUSLY WITH STAKEHOLDERS

DEPLOYMENT



INTEGRATION INTO BUSINESS PROCESSES



TRAINING EMPLOYEES ON CSR TOPICS



COLLABORATION WITH LOCAL PARTNERS

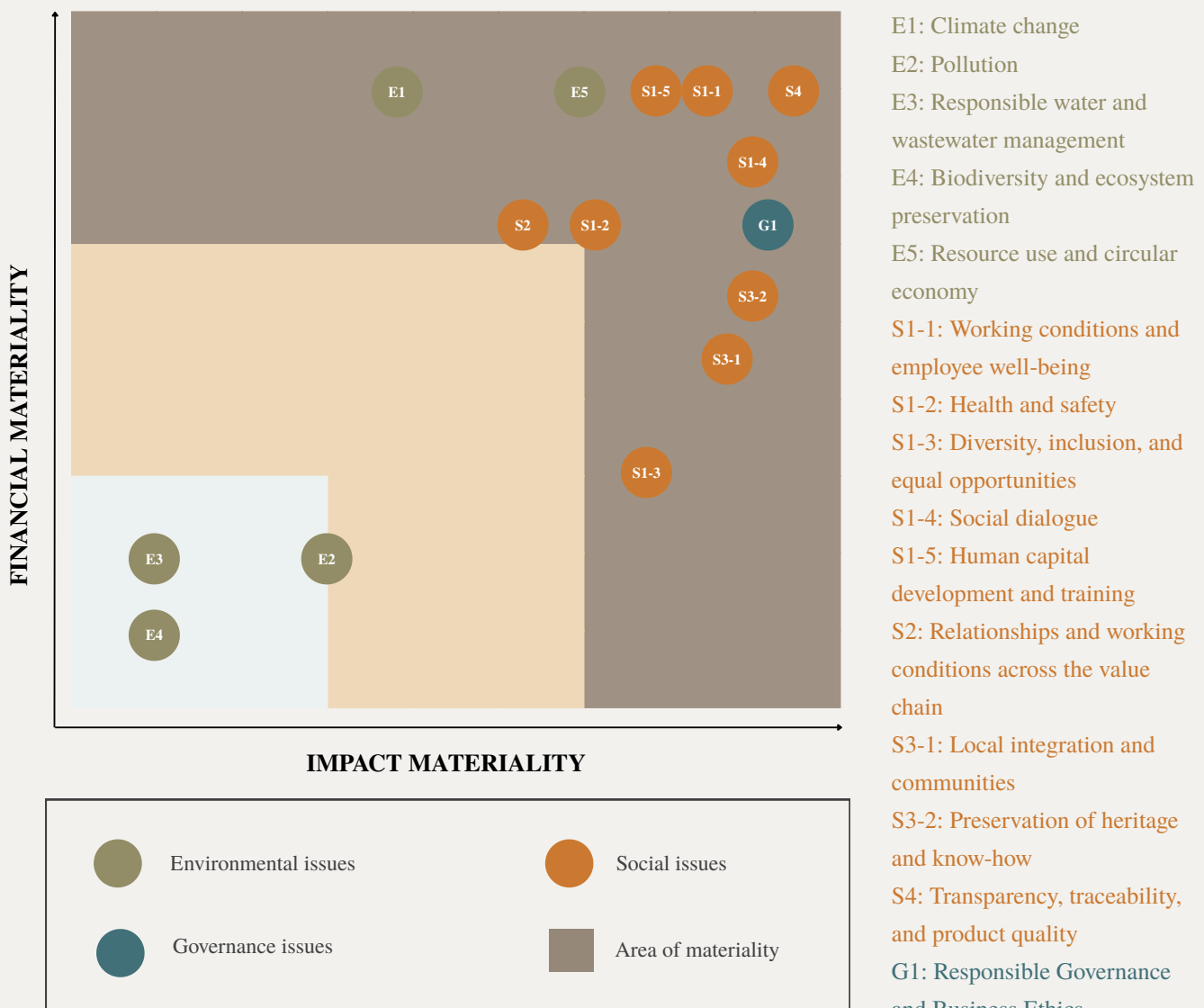
DOUBLE MATERIALITY ANALYSIS

In 2022, we conducted an in-depth materiality analysis of its CSR issues. In 2024, this analysis was reviewed according to the guidelines of the Corporate Sustainability Reporting Directive (CSRD), which recommends an analysis methodology based on the principle of **double materiality**.

The analysis thus focused on two main areas:

- The **materiality of impact**, known as "inside-out", that is to say the direct and indirect impacts of AXELLE and its value chain on the environment and society;
- **Financial materiality**, also known as the "outside-in" perspective, refers to the extent to which CSR issues influence the company's economic activity.

AXELLE'S DOUBLE MATERIALITY MATRIX



OUR COMMITMENTS

AXELLE is committed to a holistic approach to corporate social responsibility, guided by the **ISO 26000 standard** and developed in dialogue with its stakeholders. This approach aims to progressively integrate social, environmental, and governance issues into the heart of its activities, internal processes, and strategic decisions. Aware of the specific challenges facing its sector and region, AXELLE's CSR approach is based on a logic of **continuous improvement**, grounded in **consistent practices**, **active listening**, and **collective progress**.



Our social commitments

- Taking action for the safety and well-being of our employees
- Defending human rights while respecting the dignity of each individual



Our economic commitments

- Passing on the know-how of textile trades
- Promoting employability and education
- Promoting business ethics



Our environmental commitments

- Contributing to the climate effort
- Promoting the circular economy



In 2025, our priority was consolidation. Beyond formalized commitments, our ambition is clear: to fully integrate social, environmental and governance issues into our business processes.

In a demanding environment, we strive to maintain a balance between economic performance, operational excellence, and social responsibility. CSR is not a separate initiative; it is a key driver of sustainability, trust, and competitiveness.

Consolidating practices, ensuring continuity of vision and supporting ongoing transformations require rigor, cooperation and shared commitment.

VERO A. RAZANAMPARANY
CSR Director



OUR 2025 CSR INITIATIVES



TAKING ACTION FOR THE HEALTH, SAFETY AND WELL-BEING OF OUR EMPLOYEES

ESRS S1



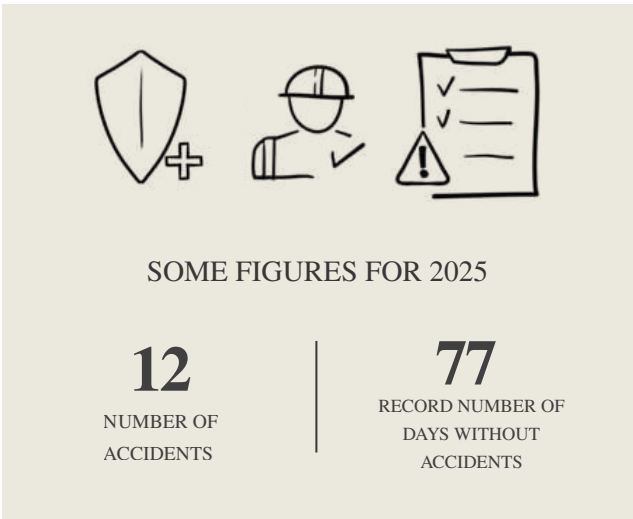
At AXELLE, health, safety, and well-being of our employees are fundamental priorities: a healthy and safe work environment is essential to the quality, motivation, and sustainability of our expertise. The company organizes its actions around a structured governance framework to ensure prevention, medical monitoring, and continuous improvement of working conditions.

01. A structured organization to prevent and protect

The management of health, safety and well-being is based on **shared governance** involving the Human Resources Department, occupational health services and employee representatives.

Trained for their role, CSST members conduct regular field activities: **workstation inspections**, **awareness workshops**, and **information sessions**. They also prepare accident reports for managers, including a description of the incident, an analysis of its causes, and a corrective action plan.

These steps aim to identify risks, promote good safety practices, and implement concrete solutions. A **monthly meeting** is held with management to monitor progress and adjust priorities.



02. Vision screening campaign and support for employees

In partnership with Lions Sight First Madagascar (LFSM), AXELLE organized **free ophthalmological consultations** for its employees, including screening, diagnosis and prevention advice to preserve visual health on a daily basis.

Since 2024, the company has covered part of the cost of corrective eyeglasses according to defined criteria. In 2025, this initiative was extended to day laborers and piece-rate employees, marking a step towards **greater equity and inclusion in access to healthcare**. Beyond prevention, this approach reflects AXELLE's commitment to promoting the well-being and comfort of its teams, while contributing to improved concentration and performance at work.



03. Supporting motherhood and pregnancy

At AXELLE, over 70% of employees are women, a significant proportion of whom are new mothers. Aware of the specific challenges associated with motherhood, the company has chosen to support female employees throughout their pregnancy and postnatal period, in order to facilitate a smooth transition to motherhood, protect the health of mothers and children, and minimize the impact on their career paths.

This support is based on close **collaboration with occupational health services**. Regular workshops, led by doctors and midwives, are organized to inform and raise awareness among expectant and new mothers on key topics such as nutrition during pregnancy, postnatal care, and work-life balance.

In addition, AXELLE provides a **layette designed and manufactured within the company for each birth**, symbolizing both concrete support and the appreciation of internal know-how.



4. Reconciling parenthood and professional life: the company daycare

To further its commitment to family well-being, AXELLE has invested in the development of its company daycare. In 2025, a **new daycare was built** to increase its capacity. This expansion addresses the growth in staff numbers and the increasing needs of employees, particularly young parents.



The daycare center is a key tool for ensuring a smooth return to work after maternity leave, reducing childcare constraints, and providing tSDGlers with an environment suited to their development. By facilitating a **better work-life balance**, AXELLE contributes to talent retention, gender equality in the workplace, and the creation of a more peaceful and inclusive work environment.

ACHIEVING THE CHALLENGE OF INCLUSION

ESRS S1

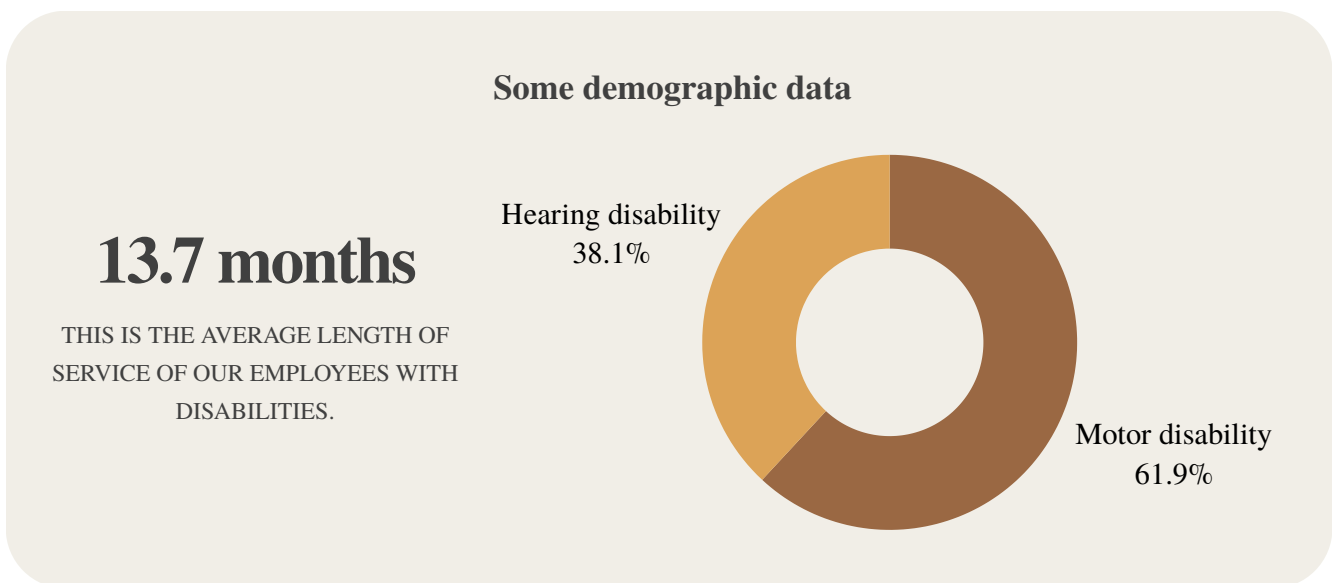
SDG



Led by the Inclusion Committee, AXELLE's inclusion initiative aims to improve access to employment for people with disabilities, adapt infrastructure, and raise awareness among all teams. Through dedicated management, the company has set an ambitious goal: **to have 5% of its permanent workforce have a disability by 2028**, demonstrating its commitment to becoming an agile, open, and fully inclusive company.

| | 2022 | 2024 | 2025 |
|---------------------------|------|-------|------|
| Permanent staff | 378 | 484 | 534 |
| Number of disabled people | 9 | 17 | 21 |
| % of permanent staff | 2,4% | 3,38% | 3,9% |

In Madagascar, institutional support for people with disabilities remains limited, making every step forward all the more significant. At AXELLE, inclusion has been built gradually: we have learned by doing, adapting our practices, sometimes making mistakes, but above all, continuously improving. This evolving approach reflects our commitment to moving forward step by step, with humility and determination, to offer a more accessible and equitable work environment.



In the long term, AXELLE wants to strengthen the diversity of profiles welcomed, by integrating different types of disability.

Today, our actions focus primarily **on motor and hearing disabilities**, for structural and organizational reasons: our production site, entirely on one level and equipped with **reasonable adaptations**, offers an environment naturally suited to reduced mobility. At the same time, supporting deaf people has become a key focus since our teams received training in **Malagasy Sign Language**, a skill we intend to maintain and expand to promote more inclusive communication.

Strengthening team capacities to promote inclusion



Thanks to a partnership with Humanity and Inclusion Madagascar, AXELLE has **strengthened the skills of its teams** — HR, Inclusion Committee, workshop managers, operational managers and team leaders — in order to anchor a **coherent and shared culture of inclusion** within the company.

The company also continued its efforts in communication accessibility, with **new Malagasy sign language sessions**: 12 employees were introduced to L1 level (including several team leaders), and 3 employees deepened their skills in L2.

These actions consolidate a work environment that is increasingly conscious, open and prepared to welcome diversity.

HANDIDAYS: Three days of commitment to an inclusive culture



As every year since 2023, AXELLE organised its traditional “**HANDIDAYS**”, three days dedicated to raising awareness of disability and inclusion. Organized by the Inclusion Committee, the 2025 edition brought together several partners around a varied program: fun sign language workshops led by our deaf colleagues, testimonies from people with disabilities and carers, as well as times for discussion to better understand the realities experienced and strengthen an inclusive culture on a daily basis.

Relive the highlights of this event through this video



What struck me most when I arrived at AXELLE was the quality of the welcome and the spirit of equality that prevails there: here, I feel considered like everyone else. Accommodations tailored to individual needs, as well as initiatives promoting inclusive communication, facilitate genuine inclusion on a daily basis.

To AXELLE's customers, I would like to say that their trust matters: by supporting the company's approach, they are making a concrete contribution to advancing inclusion and opening up more opportunities for people with disabilities.

FLORINE RAZAFINDRASENDRA
Machinist and member of the Inclusion Committee

PASSING ON AND SHOWCASING TEXTILE CRAFTSMANSHIP SKILLS

ESRS S1, S3

SDG



The Ecole des Savoir Faire: to enhance skills and standards in the textile industry

Founded in 2022, the Ecole des Savoir Faire is a **state-accredited vocational training center** dedicated to transmitting textile skills and preserving Malagasy cultural heritage. It is part of a long-term initiative to train skilled artisans capable of perpetuating demanding techniques while meeting industry standards.

SINCE ITS CREATION IN 2022, THE ECOLE DES SAVOIR FAIRE COUNTS...

+500
LEARNERS

+400
GRADUATES

20
TRAINERS

Learner profile:

Generally young women between 18 and 35 years old, young mothers

In 2025, the Ecole reached a significant milestone with the graduation of a new class of experienced trainees, trained in the demands of the textile industry and gradually integrated into production activities. Simultaneously, AXELLE strengthened its collaboration with the local municipality to identify and train individuals in crochet techniques, directly addressing the growing needs of the raffia workshop.

89
LEARNERS IN 2025

69
GRADUATES IN 2025

41%
PLACEMENT RATE IN COMPANIES

After a placement rate of 90% in 2022, the Ecole des Savoir Faire recorded a rate of 41% in 2025, revealing a gap between training and production requirements: increased complexity of models and increasingly higher quality standards.

In response, the Ecole revised its program: training is now directly aligned with workshop models to reduce the transition gap; the number of annual cohorts has been reduced to four cycles to enhance the quality of instruction and allow for close monitoring of integration into production. These adjustments are part of a continuous improvement approach aimed at more sustainable and higher-quality professional integration.



The Créa Committee: structuring innovation around expertise

Twice a year, AXELLE's General Management and Sales Management teams visit clients to nurture business relationships and discuss creative, technical, and sustainability challenges. These visits also provide an opportunity to share the company's CSR approach and showcase *robracks*, which serve as demonstration tools for AXELLE's expertise and added value.



In 2025, AXELLE structured this dynamic by establishing a Creative Committee, bringing together strategic roles: development manager, sourcing manager, sales director, stylist, and pattern maker. This committee guides **creative thinking** and the direction of the robracks, in line with the **clients' brand identity, current and upcoming seasonal trends, and the women's and children's markets.**

Within this framework, an **in-house creative studio** was established over the course of the year to support the development of prototypes. The studio members, selected through a call for expressions of interest and creative tests, helped transform sketches into concrete pieces, encouraging experimentation with new techniques, materials, textures, and designs, and revealing sometimes unsuspected internal talents.

SUPPORTING EMPLOYABILITY

ESRS S1, S3

SDG

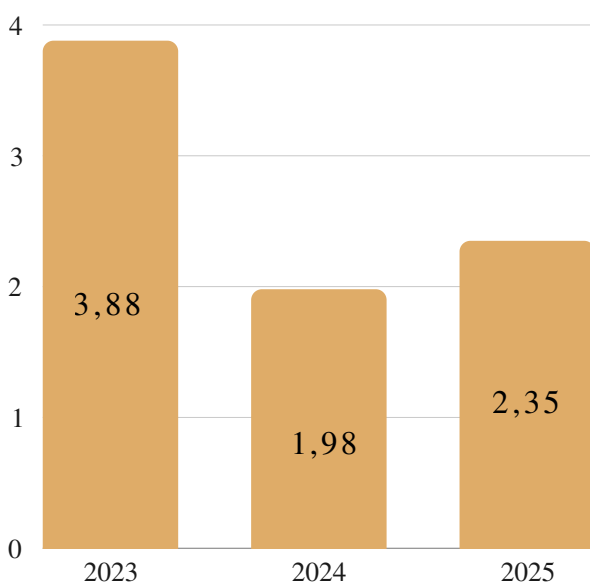


At AXELLE, we view training as a strategic investment that supports employability, collective performance, and the sustainability of skills. It is a key lever for supporting company growth.

01. Investing in human capital through vocational training

Between 2023 and 2025, training at AXELLE gradually evolved to meet the realities on the ground and the specific needs of the teams. **Expanding the training offering** required adjustments in the planning and implementation of training programs to accommodate production schedules and employee availability. In 2025, training became more **targeted**, with a focus on aligning it with specific roles and career paths.

| | 2023 | 2024 | 2025 | 2023 vs. 2025 |
|--------------------------------------|------|------|------|---------------|
| Number of scheduled training courses | 45 | 62 | 80 | 78% |
| Completion rate | 82% | 69% | 58% | -29% |
| Total actual training hours | 8462 | 4607 | 1680 | -80% |
| Number of trainees trained | 2183 | 2325 | 716 | -67% |



Evolution of average training hours per employee (2023–2025)

Analysis of the average training intensity per employee reveals a trend towards shorter but more targeted training paths. This dynamic reflects a desire to prioritize relevant content and pedagogical effectiveness, while taking operational constraints into account. It is part of a strategy to **optimize training resources** and **ensure alignment with the actual needs of teams**.

In 2025, efforts will focus in particular on developing transversal and transmission skills, with a marked focus on communication, the ability to generate interest and training engineering, key levers for collective performance and the sustainability of know-how.

02. Launch of a line dedicated to the training of machinists

In 2025, AXELLE launched a free machinist training program designed as a genuine springboard to employment. Launched in August, this program relies on a dedicated trainer and a specially designed production line, allowing trainees to work in conditions closely resembling real-world job conditions. This initiative addresses a concrete need of the company: to support business growth, strengthen production staff, and guarantee a high level of quality and technical expertise.

Beyond volume, **the key issue is skills**. In-house training allows us to transmit expected standards, precise job techniques, and AXELLE's unique culture of quality. Training thus becomes **a lever for professional development and career security**. Some of the trained individuals have joined the teams on permanent contracts, a commitment that fosters stability and the transfer of expertise. Predominantly young and female, the profiles supported illustrate AXELLE's ability to combine meeting production needs, developing local skills, and ensuring sustainable inclusion.

240h

TRAINING DURATION

79

NUMBER OF TRAINEES
BENEFITING

31%

PERCENTAGE OF HIRED
INTERNS

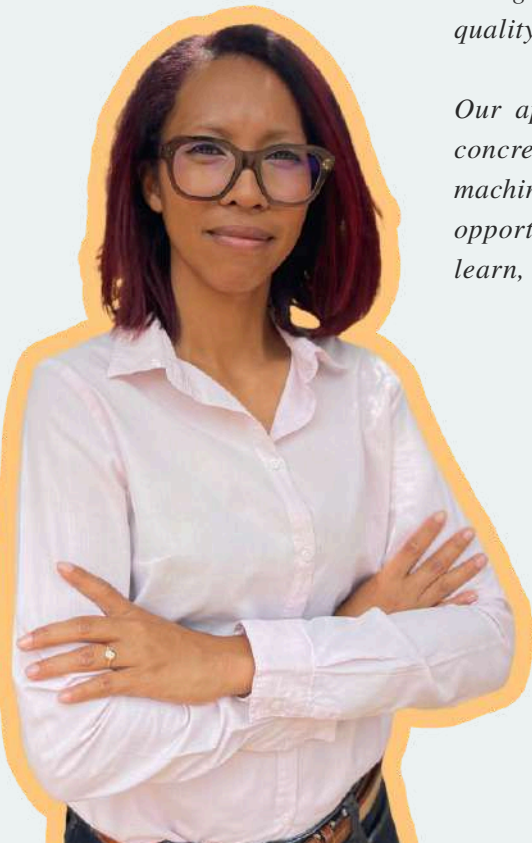


We believe that investing in people means supporting each employee in building and developing their skills. We consider training a long-term commitment: it strengthens professional confidence, develops autonomy, and consolidates the quality of teamwork.

Our approach prioritizes systems adapted to real-world situations, designed to concretely meet production requirements. The implementation of a dedicated machinist training program reflects our commitment to opening up tangible career opportunities. Beyond technical content, we focus on cultivating the ability to learn, share knowledge, and progress together.

The transmission of know-how is therefore central. It relies on the sharing of expertise, close support, and the recognition of internal career paths. This approach helps to maintain our quality standards while preparing future generations to take over.

HAINGO RANDRIAMIARISOA
Human Resources Director



03. Career progression: presentation of work medals

To honor the commitment and loyalty of its employees, AXELLE presented long-service medals recognizing years of service, **professionalism**, and the **ongoing contributions** of those who participate in the company's development. This recognition symbolizes our commitment to valuing career paths, encouraging initiative, and building sustainable professional trajectories within AXELLE.



Lala joined AXELLE in 2004 as a production line manager. Year after year, thanks to her commitment, rigor, and team spirit, she has progressed to her current position as head of the Women's workshop. Her career path demonstrates the power of perseverance and the opportunities for advancement that we are committed to fostering at AXELLE.



What has been most remarkable to me in my more than 20 years at AXELLE is the family spirit and friendly atmosphere that prevails there. I have always felt recognized and valued for my commitment.

This year's medal ceremony added a special dimension to my journey. Receiving the silver medal, following the bronze, was a moment of great pride. I prepared myself specifically for the occasion, as a way of paying tribute to my career and the company that has supported me all these years.

Today, although I have reached retirement age, I have chosen to continue working with AXELLE, as long as my abilities allow.

LALA RAKOTOARISAONA
Women's Workshop Manager



SUPPORTING EDUCATION

ESRS S1, S3



Convinced that education is a key driver of **social inclusion** and **sustainable employability**, AXELLE has been committed to supporting the Lazaina Primary Public School for several years. Through the gradual rehabilitation of infrastructure and support for the school canteen, the company is helping to create a more conducive learning environment. This commitment is part of a **territorial responsibility** approach, aiming to strengthen local educational pathways and contribute, in the long term, to the **emergence of skills and talents** that will contribute to the development of the region.



Building rehabilitation work

AXELLE contributed to the school's renovation, thanks to the generosity of a partner client. The work included the **refurbishment of three classrooms, the restoration of the facade and roof, and the landscaping of the green spaces.** A **preschool room** was also created, providing a safer, more pleasant, and more conducive learning environment for young children.



Support for the school canteen

AXELLE also continues its support for the school canteen. This year, the company donated **over a ton of rice** and also **provided meals for students taking official exams.** This simple but essential gesture helps reduce absenteeism and boost student motivation, while also easing the financial burden on low-income families.



Seeing our school, founded in 1913, completely renovated is a tremendous joy. Thanks to AXELLE's support, our students now study in better conditions and benefit from a canteen that serves them throughout the year. These initiatives have a real impact on their success and well-being. We express our deep gratitude to AXELLE and its management.

TINA JUDITH RAVOLAMANALINA
Director of the Lazaina Primary Public School

ENSURING THE TRANSPARENCY, TRACEABILITY AND QUALITY OF OUR PRODUCTS

ESRS S4

SDG



At AXELLE, transparency and quality are at the heart of the relationship of trust we build with our clients and partners. The company is committed to strengthening its internal systems and structuring its local supply chains to ensure compliant, sustainable, and responsible products, from sourcing to delivery.

Strengthening the Quality Management System

- **Structuring and optimizing internal processes**

Since 2024, AXELLE has been strengthening its Quality Management System with a clear ambition: **to structure for sustainability**. In 2025, the priority shifted to optimizing internal processes and **integrating CSR** into the heart of the QMS, in order to ensure comprehensive control of activities and continuous improvement of our performance and impact. The implementation of regular meetings with management now allows us to base decisions on reliable and shared data.

To ensure rigorous management of the system, internal audits are carried out regularly to assess the conformity, performance and efficiency of the processes.

In 2025, **seven internal auditors** were trained and are now autonomous in conducting audits. These audits contribute to strengthening the quality culture and to further involving teams in a continuous improvement approach.



- **Customer listening and continuous improvement**

Complaints management is a key driver of progress and is conducted with **transparency** and **responsiveness**. **51 complaints** were recorded and processed in 2025, with each customer complaint considered an opportunity to adjust our processes and prevent recurrence.

Each month, a meeting is held between the Quality Management System Manager, the quality team, and the Management Committee to review customer complaints. These meetings allow for an assessment of the complaints received, the definition of necessary **corrective actions**, their follow-up, and the measurement of their effectiveness. The results demonstrate significant progress and reflect the company's ongoing commitment to strengthening customer satisfaction and the reliability of its products.

51

NUMBER OF CUSTOMER COMPLAINTS RECORDED FROM JANUARY TO DECEMBER

≥80%

ANNUAL TARGET FOR COMPLETION OF THE CORRECTIVE ACTION PLAN

92%

PERCENTAGE OF ACHIEVEMENT TO BE REACHED BY THE END OF DECEMBER 2025

Towards a sustainable and certified raffia industry

Derived from the natural fibers of the leaves of the *Raphia farinifera* palm, raffia is a plant endemic to Madagascar and widely used in the manufacture of accessories and fashion items. Its harvest, primarily carried out in rural areas, constitutes an essential source of income for many families and contributes to the local economy through job creation and the promotion of traditional skills.



Faced with growing demand on the international market, AXELLE attaches particular importance to the sustainability of this resource, ensuring that the raffia used is organic, respectful of biodiversity and comes from traceable and transparent supply chains, while guaranteeing fair working conditions for the communities involved.



With this in mind, AXELLE supported the certification of the raffia supply chain of its main supplier partner, KOLA. This process mainly covers: the planting sites, the collection center and the washing station.

The certificate obtained attests that the raffia is produced according to demanding social and environmental criteria, thus ensuring responsible management of natural resources and respect for local communities throughout the supply chain.

View the certificate



PROMOTING DIALOGUE AND COLLABORATION WITH STAKEHOLDERS

SDG



ESRS G1

AXELLE considers dialogue with its stakeholders to be an essential lever for supporting the development of its activities and progressively evolving its social and environmental practices. A dedicated procedure allows for the identification of key stakeholders, the organization of exchanges, and the follow-up of issues raised, in a spirit of listening and continuous improvement.



OUR CLIENTS, STRATEGIC PARTNERS IN OUR JOURNEY TO SUSTAINABILITY

AXELLE maintains an **ongoing dialogue** with its clients, based on regular exchanges via email and video conference, as well as biannual visits. These interactions **strengthen the business relationship**, allow for a better understanding of client expectations, gather feedback, and present updates to the offerings and products.

Beyond commercial aspects, these exchanges also include discussions dedicated to AXELLE's CSR approach. They aim to share the company's social and environmental initiatives, to foster common thinking and to build long-term partnerships, particularly around structuring topics such as **employability**, the **circular economy** and **decarbonization**.



SUPPLIERS: SUPPORTING THE TRANSITION TO A MORE RESPONSIBLE VALUE CHAIN

AXELLE integrates its relationship with its suppliers into a **responsible sourcing approach**. Aware of the economic and structural realities of its ecosystem, the company prioritizes a logic of **support** and **dialogue** in order to progressively strengthen the social and environmental responsibility of its value chain.

Dialogues with suppliers are based on awareness workshops and exchanges of best practices, company visits and ad hoc assessments, allowing for a better understanding of their practices, the identification of areas for improvement and the encouragement of a dynamic of **shared progress**.

A LOCAL PRESENCE BASED ON DIALOGUE WITH LOCAL AUTHORITIES

Held **twice a year**, meetings with local authorities ensure effective coordination on issues related to the impacts of the company's activities, local employment, and administrative obligations. These exchanges are conducted within a framework of constructive dialogue and compliance with regulatory requirements.



Beyond the institutional framework, this dialogue promotes the implementation of **projects with territorial impact**, particularly in the areas of **education, inclusion and local development**.

Local authorities are also involved in **key moments in the life of the company**, such as annual celebrations or graduation ceremonies from the Ecole des Savoir Faire, thus strengthening AXELLE's local roots and close ties with its ecosystem.

EMPLOYEES AT THE HEART OF DIALOGUE AND COMMITMENT

AXELLE places **social dialogue** at the heart of its governance, convinced that employee involvement is essential to the company's sustainable performance. Formalized mechanisms allow for the regular collection of their expectations, concerns, and suggestions, notably through internal surveys, social dialogue forums, suggestion boxes, and grievance mechanisms.

This ongoing dialogue fosters the improvement of managerial, social, and organizational practices, while promoting a climate of trust and open communication. By involving teams in CSR discussions and initiatives, AXELLE strengthens the **sense of belonging** and encourages a corporate culture based on **responsibility, cooperation, and collective progress**.



STRENGTHENING ETHICAL GOVERNANCE AND RESPONSIBLE BUSINESS CONDUCT

SDG



ESRS G1

Responsible governance is a key pillar of Axelle's model. In 2025, Axelle continued to strengthen its responsible governance, which is based on transparency, ethics, and compliance. The company strives to foster a climate of lasting trust through active listening to stakeholders, rigorous follow-up on complaints, and continuous regulatory monitoring.

Grievance mechanism and monitoring of complaints

In 2025, AXELLE continued to **strengthen its grievance mechanism**, guaranteeing every employee the opportunity to freely express their concerns or suggestions. Complaints can be submitted via suggestion boxes for employees and through notebooks available in administrative offices (fokontany, commune) for local residents. They are received and analyzed monthly by the CSR Department and Human Resources for effective follow-up. This system helps to strengthen transparency, trust, and responsiveness to the needs expressed by employees and local communities.

| | 2025* |
|---|-------|
| Number of complaints received since the beginning of the year | 36 |
| Number of admissible complaints | 30 |
| Number of complaints processed | 30 |

*Data as of December 31, 2025

Regulatory compliance and competitive practices

AXELLE pays particular attention to respecting market rules and to regulatory compliance. The company actively monitors **legislative** and **regulatory developments**, both nationally and internationally. This regulatory monitoring allows it to **anticipate changes, identify potential gaps, and ensure continuous compliance** of its practices. Each year, the CSR Department and other relevant departments review the regulations to detect non-conformities, assess risks, and monitor corrective action plans.

Areas covered by regulatory monitoring



Regulations applicable to free trade zones



Labour rights and social standards



Environmental requirements and CSR



Transport, trade, corruption and competitive practices

Promoting best CSR practices at the national level

Convinced that responsibility is strengthened through **sharing**, AXELLE is committed to **promoting best CSR practices beyond its own activities**. By participating in collective initiatives, opening its doors to committed organizations, and highlighting inspiring approaches, the company aims to contribute to the development of a culture of sustainability in Madagascar. Through awareness campaigns, sharing experience, and showcasing its best practices, AXELLE affirms its ambition to become a benchmark and a driver of positive change in Madagascar.



Visit to Yas Madagascar for a sharing of best practices on the inclusion of people with disabilities in the workplace



Visit by JCI Malagasy Academy academics on the theme: "CSR and Innovation: in the State priority sectors"

The company also participated in a **national project promoting CSR and responsible entrepreneurship**, funded by *Clim'Invest*, an initiative of the *European Union Delegation*. This program aimed to promote sustainability at the heart of the Malagasy economic fabric through the collaborative development of **best practice guides** and a **national awareness campaign**.



Discover the platform and Axelle's practices that have been highlighted



AXELLE actively contributed to the workshops dedicated to the design of these tools and was among the **12 winners of the second edition of the CSR Award**. The company notably shared its flagship initiative: the *Ecole des Savoir Faire*, recognized for its positive impact on local communities.

TAKING ACTION FOR THE CLIMATE AND REDUCING OUR CARBON FOOTPRINT

SDG



ESRS E1

AXELLE has formalized its commitment to the environment through a clear environmental policy. Aware of the impact of its activities, the company is pursuing its objective of reducing its carbon footprint by progressively integrating climate issues into its value creation strategy.

Since 2024, AXELLE has been committed to a structured decarbonization approach, beginning with its first carbon footprint assessment. In 2025 this work was consolidated through **improved data relevance, optimization of the data collection system, and adjustments to the decarbonization strategy** based on targeted studies.

This iterative process is an essential step to ensure the reliability of the results and to guide future decisions on reducing greenhouse gas emissions.

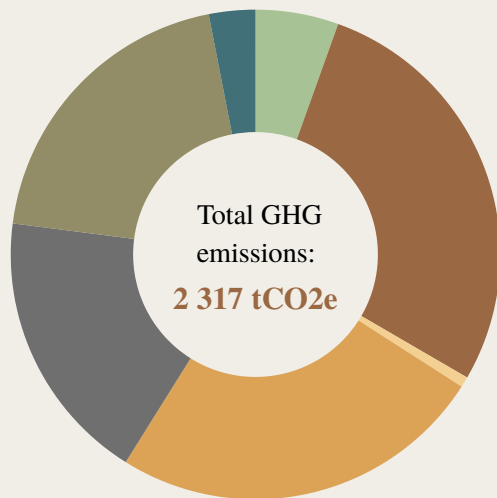
Summary of the 2024 carbon footprint Assessment



+1M hours produced



2.31 kg CO2e produced per hour



- Raw materials: 28%
- Fret : 24,8%
- Travel: 20%
- Canteen: 18%
- Energy: 5.5%
- Fixed assets: 3%
- Packaging: 0.6%
- Production waste: 0.1%

SCOPE 1

3%

global greenhouse gas emissions

SCOPE 2

3%

global greenhouse gas emissions

SCOPE 3

94%

global greenhouse gas emissions

Overall evolution of emissions from 2023 to 2024

Between 2023 and 2024, AXELLE's greenhouse gas emissions increased slightly in absolute value (+6.3%), mainly due to the development of new activities (crochet workshop), infrastructure investments, and an increase in staff. This increase affected the majority of emission sources.

| VALUE | 2023 | 2024 | 2024 vs. 2023 |
|--|-------|-------|---------------|
| Absolute (tCO ₂ e) | 2 179 | 2 317 | +6,3% |
| In intensity (kgCO ₂ e/hour produced) | 2,54 | 2,31 | -9,1% |

On the other hand, carbon intensity (emissions per unit produced) decreased by 9.1%. This improvement reflects AXELLE's progressive shift towards higher value-added and low-energy-consuming activities, such as hand embroidery, crochet, smocking, and bobbin lace.

Revision of our reduction targets for 2050

With a strategy combining performance and traditional expertise, AXELLE has revised its reduction trajectory by opting for a *customized method*, based on the core principles of **SBTi** but adapted to its operational realities. This approach relies on **differentiated reduction targets for each emissions scope**, taking into account the company's actual **level of influence** and its levers for action. This trajectory **will be reassessed every 5 years**.



-70%

global scope 1 and 2
emissions by 2050

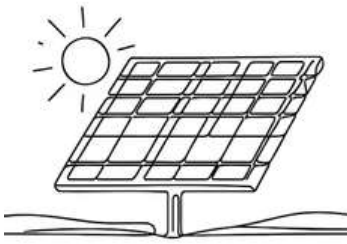
-30%

global scope 3
emissions by 2050

-63%

average reduction in
carbon intensity

OUR LEVERS FOR ACTION



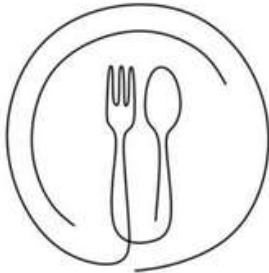
Transitioning to more sustainable energy

A large portion of AXELLE's energy consumption still relies on fossil fuels. The gradual transition to solar energy is a key lever that will limit the ecological footprint of its activities, while improving resilience to increasingly frequent power outages.



Optimize raw material consumption

Raw materials account for 28% of our carbon footprint. To limit this impact, AXELLE aims to focus on two key areas: optimizing purchases and improving cutting efficiency. The company also plans to strengthen its circular economy practices by prioritizing the reuse of textile scraps over their disposal. These combined efforts will help reduce emissions, lower costs, and meet growing market expectations for sustainability.



Reduce the canteen's carbon footprint

In collaboration with the canteen provider, AXELLE is committed to a lower-carbon diet, gradually replacing beef with other, less impactful alternatives. Also, the company is exploring more sustainable cooking solutions, such as gas or electric hobs, to reduce its use of firewood. This dual approach – food and energy – helps limit environmental impact while maintaining a catering option suitable for employees.



Co-creating reduction actions with our clients

The most important emissions sources of AXELLE's carbon footprint (raw materials and freight) depend largely on the choices made by customers. To significantly reduce its footprint, AXELLE has implemented a carbon footprint assessment for each customer, designed to strengthen dialogue and raise awareness.

Areas for collaboration include: choosing more sustainable materials (organic, recycled, etc.) and reducing air freight, a major source of emissions, in favor of sea freight. This collaborative approach aims to guide the entire value chain towards a low-carbon trajectory.

STRENGTHENING WASTE RECOVERY TO SUPPORT THE CIRCULAR ECONOMY

ESRS E5



In the textile industry, waste management is a major challenge, both environmentally and economically. Aware of the impact of its activities, AXELLE is committed to strengthening its waste recovery efforts to limit resource waste and encourage a more circular economy. This approach is based on a logic of accountability and efficiency, aiming to transform production byproducts into new opportunities for value creation.

Evolution of waste treatment and recovery (2023-2025)

The evolution of waste volumes between 2023 and 2025 reflects the sustained growth of AXELLE's activities, which has resulted in a significant increase in the volume of waste generated.

| | 2023 | 2024 | 2025 |
|---|-----------|-------------|-------------|
| Waste recovered/recycled | 23 | 9,1 | 17,2 |
| Waste disposal (landfilling, incineration, embedding in concrete) | - | 3,6 | 42,3 |
| ANNUAL TOTAL | 23 | 12,7 | 59,5 |

After a year in 2023 marked by total waste recovery (100%), the year 2024 saw a decrease in the recovery rate linked to the **loss of an industrial partner** who previously used textile scraps as fuel. In the absence of local alternatives, some of the waste has been sent to public landfills for incineration. However, this is not a sustainable solution because these landfills are not controlled by the authorities.

By 2025, efforts to **diversify waste valorization pathways** and **strengthen local partnerships** had increased the proportion of waste recovered or recycled. This improvement, while positive, remains gradual and demanding: the diversity of waste generated by the Company's activities (textiles, raffia, metals, plastics, cardboard, etc.) makes finding local recovery solutions particularly complex. In Madagascar, the lack of structured sorting and processing systems still limits the possibilities for circularity.

Despite these constraints, AXELLE maintains its commitment to continuously improve its waste management, by strengthening its collaborations with local actors and exploring new recovery solutions adapted to the Malagasy context.

Gradual improvement of the waste management system

In 2025, Axelle undertook a **restructuring of its waste management system** to strengthen traceability, transparency, and environmental performance. Progress made in recent years has enabled better identification of waste streams and the implementation of more rigorous internal sorting and monitoring procedures.

At the production site, source separation has been strengthened to more effectively distinguish between different categories of waste (textiles, plastics, metals, paper and cardboard, etc.). This system facilitates their routing to appropriate partner recycling channels. The volumes are then weighed, recorded, and tracked by the CSR Department, thus ensuring enhanced traceability throughout the entire chain.



Energy recovery relies on partnerships with several **local industries** that use certain waste materials as **supplementary fuel for their boilers**. This sector primarily involves textile scraps, paper and cardboard waste, and in some cases, raffia waste. It thus reduces the amount of waste sent to landfills while also contributing to a reduction in the partners' fossil fuel consumption.

In parallel, **recycling, reuse and upcycling activities** rely on a growing network of local partners:

- **small creative workshops,**
- **individuals with projects that have a social and/or environmental impact**
- **or companies specializing in waste sorting and recycling**

This sector makes it possible to give a second life to some of the textile scraps, plastic waste (packaging, empty yarn cones) as well as cardboard cores, thus contributing to the development of a local circular economy.

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