VusionGroup

Technologies for
Positive Commerce

Universal Registration Document 2024

Table of contents

1. Introduction and presentation of the Group's activities **3**

2. Risk factors and uncertainties **29**

2.1 Risk fa tors and associated risk management measures 30

2.2 Insurance program and internal control 43

3. Corporate Governance **49**

3.1 Management bodies 51

3.2 Remuneration of corporate officers 86

3.3 Information likely to have an impact in the event of a takeover bid 103

3.4 Table of delegations of authority granted to the Board of Directors for capital increases 105

3.5 General Meetings and specific methods by which shareholders participate 106

3.6 Statutory auditors' special report 107

4. Sustainability Statement **111**

4.1 General information [ESRS 2] 112

4.2 Environmental information [E1, E2, E3, E4, E5] 144

4.3 Social information [S1, S2, S4] 180

4.4 Governance information [G1] 202

4.5 Cross-reference table 211

4.6 Appendices 217

4.7 Report from the independent third party 222

5. Management report on financial results **227**

5.1 Analysis of 2024 results 228

5.2 Analysis of results for the fiscal years ended December 31, 2024, and December 31, 2023 234

5.3 Post-closing events 234

5.4 Recent developments and outlook 234

5.5 Report on the parent financial statements 235

6. Financial Statements **239**

6.1 Group consolidated financial statements for the year ended December 31, 2024 241

6.2 Separate financial statements for the year ended December 31, 2024 264

6.3 Statutory Auditors' reports 280

7. Information on the Company and the share capital **289**

7.1 Shareholding 290

7.2 Employee profit sharing 294

7.3 Stock market data 295

7.4 Relationship with the financial community 296

7.5 Dividends 296

7.6 Share buybacks 296

7.7 Change in the amount of share capital over the last five years 299

7.8 Legal information 299

7.9 Documents available to the public 301

8. Cross-reference table **303**

Cross-reference table for the Universal Registration Document 304

Concordance table of the corporate governance report 312

Concordance table of the annual financial report 314

Concordance table of the management report 315

9. Statement from the person responsible for the report **319**

Glossary **321**

VusionGroup

Universal Registration Document 2024

AMF

The Universal Registration Document was filed on April 30th 2025, with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The Universal Registration Document may be used for the purposes of a public offering of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The resulting package is approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of this Universal Registration Document are available free of charge from VusionGroup, 55, place Nelson Mandela, 92000 Nanterre, France, as well as on the VusionGroup (www.vusion.com) and AMF (www.amf-france.org) websites.

This Universal Registration Document is a reproduction in PDF format, translated in english, of the official version of the Universal Registration Document established in XHTML format, filed with the AMF on April 30th 2025 and available on the AMF website (https://www.amf-france.org/fr). This reproduction is available on our website (https://investor.vusion.com/).

1

Introduction and presentation of the Group's activities

Message from the Chairman & CEO	6
Presentation of the Group	8
Key Events of 2024	9
Vision & Mission	11
Store Operational Excellence	12
Local E-Commerce	13
Food Waste Management	14
Category Optimization	15
In-Store Digital Retail Media	16
Shopper Services	17
Strategy	18
Technology leadership, innovation and differentiation	19
Geographic expansion and leading position in strategic markets	22
Leading global partner ecosystem	23
Resolute sustainable development policy	24
Legislative and regulatory environment	26

About VusionGroup

Global leader*

in digitalization solutions for commerce

* Based on the Group's revenue as of December 31, 2024 and the revenue published by the main players in the ESL market over the same period.

At VusionGroup, we invent IoT and digital technologies that create a positive impact on society by enabling sustainable and human-centered commerce.

VusionGroup is the global leader in digital solutions for physical retail.

The Group counts among its clients over 350 food and specialty retailers across Europe, Asia, and North America.

Key figures (1)

Founded in **1992**

19 subsidiaries and sales offices worldwide

949 employees

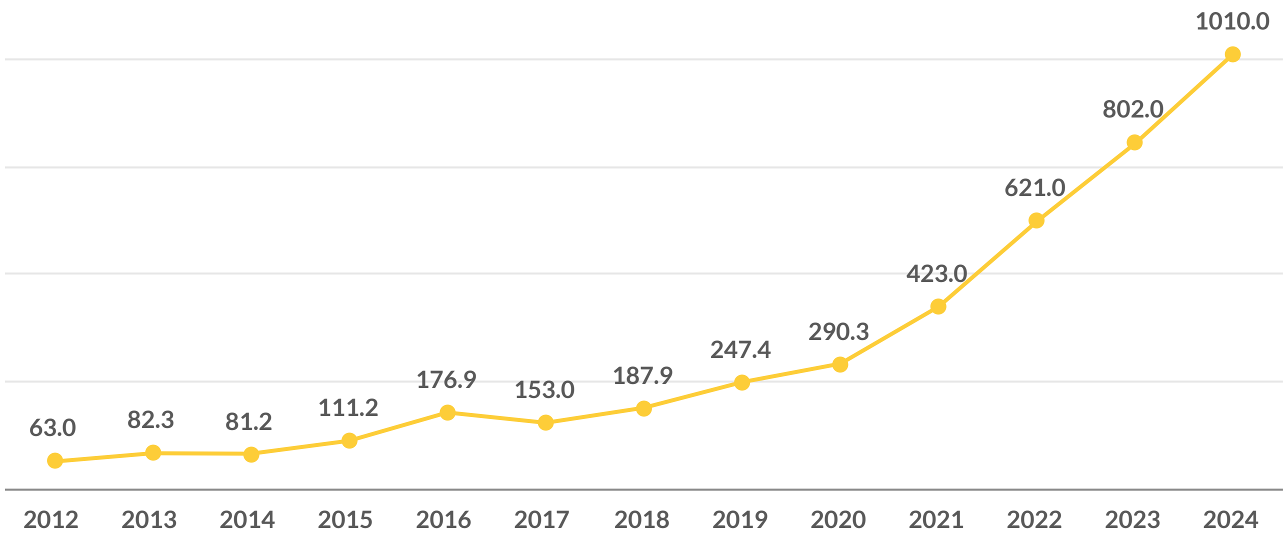
(1) Figures at the end of December 2024.

1
2
3
4
5
6
7
8
9

€1bn in adjusted sales and strong improvement in profitability

- **Revenue of €1,011m on an adjusted basis, up 25% (€955m in IFRS)**
- **Order intake at €1.6bn, up 71%**
- **Adjusted Variable Cost Margin (VCM) of €297m, up 44%; Adjusted1 VCM margin of 29.3% (+3.8 pts vs 2023)**
- **Adjusted EBITDA of €161m, up 51% (€105m IFRS); Adjusted EBITDA margin of 15.9% (+2.7 points vs 2023)**
- **Adjusted Net income of €53m up 54% (€-29m in IFRS)**
- **Free Cash Flow generation of €391m with a net cash position of €393m**
- **Proposed dividend of €0.60 per share**
- **2025 guidance: accelerating revenue growth at Group level (around 40% vs 2023), with twice that growth in VAS revenue (around 80%) and a 100 to 200 bps increase in adjusted EBITDA margin**

Group revenue since 2012 (€m)



(€m)	**2024**	2023	2022
Europe & MEA	492	642	487
Rest of the world	518	163	134
Total revenue	**1,010**	**805**	**621**

50,000
stores

500 millions
smart labels

€1 billion
in revenue

350
customers
in more than
60 countries

Message from the Chairman & CEO

Thierry GADOU
Chairman & CEO
VusionGroup

Innovation, Growth and Leadership

VusionGroup surpassed the milestone of one billion Euros in revenue[(1)] in 2024, with another year of strong organic growth (+25%), in line with our average growth over more than a decade.

Undoubtedly the No. 1 in our sector, VusionGroup is now also among the leading European technology growth stocks.

With the signing of a historic contract with Walmart and many other clients signed in recent years, North America became our largest geographic market in 2024. This position is a major asset for the coming years given the immense potential of this still very under-equipped and booming market.

In Europe, after three consecutive years of hyper-growth (averaging +45% per year between 2020 and 2023), sales saw a temporary decline due to the completion of a large European deployment, but the trend remains above our long-term target trajectory of 20% growth on the European continent. There were indeed many new successes in 2024, and the market offers numerous growth levers: penetration in the food sector remains low in some major markets (UK, Germany), many non-food market segments are still in the early stages of equipment, a significant installed base needs to be modernized, and the demand for complementary value-added services is substantial. 2025 should illustrate all these trends.

Once again in 2024, VusionGroup's success is primarily due to innovation. 2024 was notably the year of the accelerated launch of EdgeSense, a new digital shelf system, and VusionOX, an IoT operating software based on a Bluetooth protocol significantly improved in terms of performance, security, and energy consumption. For the first time, a single solution allows a store to locate products, guide and communicate with associates and shoppers, manage digital displays, and soon analyze shelves in real-time thanks to a micro-camera integrated into the smart rail. A revolutionary solution with no equivalent on the market. Many other developments emerged in 2024 from our nine R&D centers (where about a third of our workforce is employed), including the prototype of VusionLive, the store's AI assistant and the true "keystone" of the Vusion platform, a mobile version of Captana, the FreshConnect solution for managing the fresh produce supply chain, etc.

(1) Restated figures reflect the reported financials before adjusting for certain non-cash IFRS restatements related to the Walmart contract. These adjustments only impact the Americas & Asia-Pacific region.

Innovation is also one of the levers for margin improvement through differentiation and increased ROI for our clients. This progress is visible in our 2024 accounts, as well as in operational and financial management, purchasing, and industrial management performance. Ultimately, we improved our profitability and exceeded our guidance, which was raised during the year.

2024 was a year of significant advances in our sustainable development policy and our roadmap for positive commerce. With EdgeSense, we are accelerating the reduction of our carbon intensity and that of our clients. Several new solutions also strongly contribute to more sustainable commerce, including local e-commerce (effectively using stores instead of building new logistics platforms), reducing inventory and food waste. Our solutions improve the added value and quality of local jobs and promote the integration of digital technology in territories, another societal added value. The group conducted the double materiality analysis required by the new European CSRD regulation.

Internally, we continued to foster an exciting and motivating work environment, with a very proactive employee share ownership policy, increased representation of women, training efforts, improved working conditions, and our cultural patronage policy. Employee satisfaction is high, and turnover is low, concrete proof of the success of these policies essential to our performance.

Our governance has been further strengthened with the appointment of two highly qualified new independent directors, including the new chairman of the nominations and remuneration committee. Now, 50% of the directors are independent. Internal control and risk prevention structures and resources have been strengthened in all areas, improving the company's resilience.

The strong momentum of 2024 will continue and amplify in 2025. Indeed, orders last year reached more than €1.6 billion, a sharp increase (+71%), with a book-to-bill ratio of 160%, reflecting excellent growth prospects and market share gains. We also expect growth of around 40% in 2025, higher than in 2024, to reach €1.4 billion in revenue, and a growth rate of VAS of about double.

The commerce sector is the largest economic sector and the largest employer on the planet. The digital transformation of its physical component, after two decades of focus on digital channels, is now launched and will not stop. The needs of merchants in this area are immense, and we are at the forefront of solutions that meet them. That's why we see the future with great optimism, for our clients as well as for VusionGroup.

Presentation of the Group

SES (Store Electronic Systems) was founded 30 years ago, in 1992, by an entrepreneur from a family of retailers in the north of France who grew up in his parents' supermarkets and wanted to – when the family group was sold – bring technological innovations to a sector that greatly needed them. The Company's origin explains one of the major differences of VusionGroup in the market: extensive knowledge of the retail business, its processes and its challenges, and high operational effectiveness of the solutions developed by the Company. Every detail, no matter how small, is designed to ensure that the solutions operate fully in the field, even under the challenging daily conditions encountered in the retail business.

From the outset, SES distinguished itself by its technological lead and strong cost competitiveness, which explains its success first in France and then abroad.

Global ambition

1992
SES (Store Electronic Systems) **inception** in France.

2012
Thierry Gadou becomes Chairman and CEO.

2013
SES becomes the **Global N°1.**

2014
Imagotag acquisition and **birth of SES-imagotag.**

2016
PDi acquisition in Taïwan, the global leader in e-Paper display module engineering.

2017
Findbox acquisition in Germany, specialized in AI and Computer Vision.

Launch of **Vusion IoT Cloud** platform and creation of a subsidiary in the US.

2018
MarketHub acquisition in the UK, specialized in AI and Data Analytics for Retail.

2019
Qualcomm Technologies strategic partnership.

2022
Acquisitions of Memory, expert in data analytics, and **Belive.ai**, specialized in AI and Computer Vision for physical commerce.

EcoVadis « **Platinum Sustainability Rating »** certification obtained for the Group sustainability performance.

2023
Rollout contract with Walmart to deploy **4,600 stores in the US.**

2024
SES-imagotag becomes **VusionGroup**.

VusionGroup's sales exceed the €1bn mark.

> *From the very beginning, the Group stood out through its technological edge and strong cost competitiveness, which explains its success first in France and then internationally.*

Key Events of 2024

January 10: SES-imagotag becomes **VusionGroup** to embody the various product lines and solutions that have enriched the Group over the years, all contributing to the digitalization of commerce.

March 27: VusionGroup publishes **its 2023 annual results** with a revenue of €802 million, up 29% compared to 2022, and an EBITDA margin of 12.8%, up 340 basis points.

April 30: Signing of a new contract extension with **Walmart US** to accelerate the deployment of EdgeSense and VusionCloud solutions, representing an order of approximately €1 billion.

June 12: Sonae, a leading retail group in Portugal, strengthens its partnership with VusionGroup to deploy our solutions in more than 240 grocery (hypermarkets, supermarkets, convenience) and cosmetics stores.

June 18: In France, **Match** supermarkets accelerate the digitalization of their stores with VusionGroup.

June 19: The Annual General Meeting approves the appointment of Kevin Holt and Emmanuel Blot as independent directors and decides to pay an **initial dividend** of €0.30 per share.

June 26: Netto in Denmark chooses VusionGroup to digitalize its 550 stores.

July 3: The British retailer **Blakemore Retail** adopts VusionGroup's digital and data solutions, which will be deployed in an additional 130 stores in 2024.

July 10: Hy-Vee, an American food retailer operating more than 570 stores in nine Midwestern states, accelerates its digital transformation with VusionGroup's various digital solutions.

August 7: Signing of a strategic partnership with **ACE Hardware** in the United States, a DIY retailer with more than 5,000 stores worldwide.

August 28: Announcement of a partnership with **SPAR** in Austria to deploy VusionGroup's smart labels and VusionCloud solution in more than 200 stores in 2024.

September 12: VusionGroup publishes its **2024 half-year results,** showing strong growth in the United States and a significant improvement in operational profitability with an EBITDA margin of 13.7%, up 230 basis points compared to the first half of 2023. Confirmation of the annual revenue target of €1 billion and an upward revision of the expected EBITDA margin improvement target by 100 to 200 basis points.

September 16: Appointment of Jim Norred as **Chief Commercial Officer for North America.** Jim previously held the position of Chief Commercial Officer for Retail, CPG, and Gaming at Microsoft.

September 18: Médiaperformances, a major player in omnichannel Retail Media in France, and VusionGroup announce the signing of a strategic partnership to revolutionize Retail Media in stores.

September 25: The Italian retailer **L'Abbondanza** deploys VusionGroup solutions in all of its 43 stores in the Umbria, Tuscany, and Marche regions.

October 17: The European pharmacy leader **Phoenix Group** accelerates its digital transformation with VusionGroup. Present in 29 countries, the pharmacy group will begin deploying VusionGroup solutions with an initial wave of 100 stores in Switzerland.

October 28: Publication of the **third quarter 2024 revenue** with a record order level over 9 months of €1.1 billion, up 63%, driven by strong momentum in the United States and numerous commercial successes in Europe.

November 26: After Fnac in 2022, **Darty** accelerates the digitalization of its stores by deploying VusionGroup solutions in 216 stores in France.

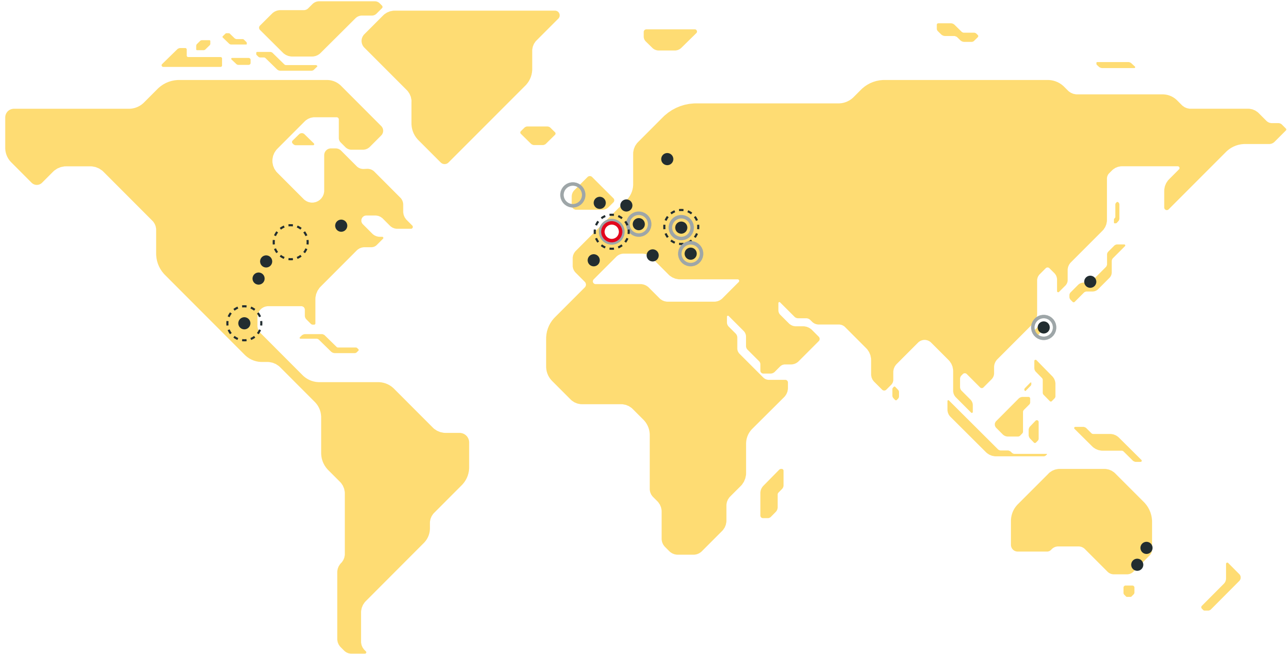
December 11: The Italian food retail leader, Coop **Alleanza 3.0,** chooses VusionGroup to equip its 350 stores across eight regions of Italy with the VusionGroup Cloud platform and electronic labels.

December 18: VusionGroup signs with **The Fresh Market,** a food retailer in the United States, for the simultaneous deployment of its ESL, AI, and Data solutions. This partnership will allow the 166 stores to benefit from the Vusion 360 suite of solutions, including electronic labels, the VusionCloud platform, Captana, and Memory, marking the first Vusion 360 deployment in North America.

December 23: After successfully equipping nearly 500 stores in 2024, **Walmart US** extends the deployment of VusionGroup solutions to all of its stores in the United States, totaling 4,600 points of sale. This new order represents approximately €1 billion.

19 Today, the Group has subsidiaries and its own sales offices

For 30 years, VusionGroup has been supporting the growth of its long-standing customers at home (Leclerc, Intermarché, Système U, Monoprix, Carrefour, etc.) and abroad (MediaMarktSaturn, NorgesGruppen, Salling Group, etc.), as well as numerous international brands (Walmart, Colruyt, JYSK, Kiwi, Dansk, Fairprice, Muticedi, SPAR, PAM, Rewe, T-Mobile, Coop, Euronics), i.e. a total of more than 350 distributors worldwide.



GROUP'S HEADQUARTERS

Europe : *France*

LOGISTICS

Europe: *France and Austria*

Americas: *United States and Mexico*

(1) In 2024

SUBSIDIARIES AND SALES REPRESENTATIVE OFFICES (1)

Europe: *France, Austria, Germany, Croatia, Denmark, Spain, Italy, Ireland, the Netherlands, the United Kingdom and Sweden*

Americas: *United States, Canada and Mexico*

Asia: *Australia, Hong Kong, Singapore, Taiwan, and Japan*

RESEARCH AND DEVELOPMENT CENTERS

IoT: *France, Austria, Germany, Croatia and Taiwan*

Software: *France, Germany and Ireland*

More than 350 international partners

Vision & Mission

Technology supporting retailers, consumers and brands

Physical retail is the world's largest industry. It alone accounts for more than 20% of global GDP and employment. It is therefore one of mankind's activities that has a sizeable impact on our societies. However, it faces critical challenges: food security, food waste management, the carbon footprint of physical retail, and the impact of logistics and packaging operations. Today, consumers aspire to a new, positive, omnichannel, sustainable, transparent, secure, and fair retail environment that respects personal data.

Against this backdrop, it is imperative to put technology at the service of individuals and consumers. Retailers can now harness the power of IoT, Cloud and AI technologies to transform physical stores into high-value, data-driven digital assets that are increasingly automated, connected to consumers and suppliers, and able to deliver efficient and seamless services thanks to transparent, omnichannel and personalized information, while guaranteeing the integrity and confidentiality of personal data. The digitization of physical stores helps accurately analyze in-store events in real time, ushering in a new era of enhanced collaboration between suppliers and retailers to improve efficiency, transparency, security and resilience of the entire chain.

As the world's leading physical retail technology player, **VusionGroup's primary objective is to help retailers to achieve their digital transformation.**

Solutions VusionGroup

Store Operational Excellence

Local E-Commerce

Food Waste **Management**

Category **Optimization**

In-Store **Digital Retail Media**

Shopper Services

Store Operational Excellence

The solutions developed by VusionGroup enable stores to operate more precisely and improve their operational efficiency. By automating tedious, low-value-added tasks, the technology deployed in stores facilitates daily management and provides a better working environment for employees.

By combining IoT and Computer Vision, retailers can digitize manual operations while generating data at all levels of the stores to analyze performance and trigger corrective or value-adding actions.

- Price and promotion automation
- Merchandising compliance and assortment optimization
- Product availability and inventory management
- Supply chain traceability

1
2
3
4
5
6
7
8
9

Local E-Commerce

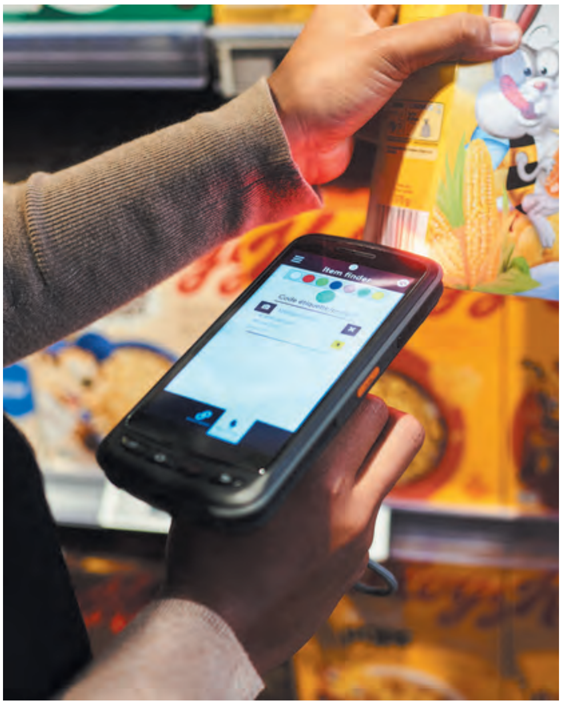
The digitalization made possible by VusionGroup's technology allows retailers to adopt a hybrid, omnichannel model, combining the best of e-Commerce and physical retail. Stores become logistics centers for their e-Commerce, offering a strategic tool to deliver online orders quickly and close to consumers.

This local e-Commerce model, driven by the digital transformation of stores, avoids the creation of additional logistics warehouses, which are significant sources of carbon emissions, and streamlines e-Commerce logistics flows.

- Optimization of logistics flows
- Improvement of e-Commerce order preparation
- Offering local products online and in-store

Food Waste Management

VusionGroup's technology helps retailers reduce food waste, improve the in-store customer experience and increase their commercial performance and profitability. Guided by AI and Data, stores monitor short-dated products and fresh and perishable stock in real-time.



Retailers can optimize the management of these products, adjusting prices based on expiration dates or freshness, and managing restocking to avoid overstocking, which leads to waste.

- Optimization of in-store prepared products
- Price and promotion agility to reduce unsold items and waste
- Management of fresh products

Category Optimization

Optimizing category management in stores allows retailers to improve their decision-making processes related to assortment, merchandising, promotions, and inventory.

The data captured and generated in stores also enables retailers to better collaborate with brands by sharing real-time product performance and merchandising plan compliance.

- Assortment optimization
- In-store merchandising optimization
- Price and promotion optimization
- Product availability optimization

In-Store Digital Retail Media

The digital transformation of physical retail allows stores to become true media by digitalizing advertising campaigns and posters in the aisles. Connected and activated from the Cloud, these screens enable real-time, contextualized, and local communication with consumers.

Brands can interact directly with consumers, while retailers can convert their traffic into additional revenue.

- Digitalized retail media
- Personalized in-store activations
- Real-time tracking of advertising campaign performance

1 2 3 4 5 6 7 8 9

Shopper Services

The digitalization of physical stores allows retailers to better understand and serve their customers, who are now better informed, more demanding, and accustomed to the benefits of e-Commerce (information, choice, delivery).

VusionGroup's solutions create a link between online and physical retail to address these challenges and create a seamless, personalized shopping experience for consumers.

Personalized in-store journey

Consumer interactivity

Rich in-store content

Strategy

VusionGroup's market: the digitalization of physical commerce

VusionGroup is a specialist in the digitalization of physical stores and connected ESLs. The market for electronic labels is booming, with an estimated potential of around 10 billion units and a current penetration rate of less than 8% (around 800 million ESLs).

The Group has formalized its strategy and its development ambition in the “VUSION-27” plan presented at its Capital Markets Day in November 2022. In financial terms, the VUSION-27 plan’s objective is for VusionGroup to generate revenue of €2.2 billion and reach an EBITDA margin of 22%.

The strategy implemented to achieve the objectives of the VUSION-27 plan is based on several key priorities:

Growth and Leadership

VusionGroup aims to retain and expand its position as the Global leader in Cloud IoT for retail and industry. The top-line objective is to reach 1 billion connected IoT devices, and revenue of €2.2 billion (for an estimated CAGR of 30%, with 40% of sales generated in the United States) by 2027.

Customer First

Deliver outstanding customer value, experience and ROI, for a net promoter score (NPS) of 70.

Value-added software, services, and non-ESLs solutions (VAS)

Develop revenue generated by the Cloud, software solutions, and services offered by the Group to reach €650 million.

Top Operational Performance

Achieve an efficient business and operating model through fully digitized operations and a superior supply chain, leading to an EBITDA margin of 22%.

Positive Impact

Make a proven and quantifiable contribution to a low-carbon and positive retail sector, as recognized by top sustainability ratings, and be a great place to work for our employees.

Technology leadership, innovation and differentiation

VusionGroup is recognized worldwide for its cutting-edge technology, particularly in terms of highly reliable and very low-power communication protocol, e-Paper and TFT digital display technologies for physical retail, and IoT Cloud solutions featuring high scalability and security (smart labels, sensors and connected cameras), artificial intelligence applied to image recognition, and collaborative online services.

The Group invests 5 to 10% of its revenue in R&D (software, hardware, IT, industrialization). Approximately 30% of VusionGroup's workforce is part of the R&D Department, with engineers and technicians spread over seven specialized research centers (software/cloud, display, radio and IoT, computer vision & data) located in Europe (France, Germany, Austria, Ireland, and Croatia), Asia (Taiwan), and the United States.

This major R&D effort is guided by the ambition to provide the best possible response to the increasingly demanding requirements of the retail sector:

- absolute reliability of prices;
- increased responsiveness of adjustment and multi-channel synchronization;
- commercial and marketing performance and quality of on-shelf displays;
- interactivity with consumers and improvement of the in-store experience;
- accuracy, quality and responsiveness in inventory management and linear availability;
- in-store employee productivity and focus on motivating and high-value-added tasks;
- development of e-commerce and in-store order preparation;
- drastic reduction in operating costs;
- growing cybersecurity challenges related to the digitization of points of sale.

Resulting from years of development and consolidation of technological start-ups (Imagotag, Market Hub, Findbox, PDi, Memory, Belive.ai), the Vusion platform effectively responds to these challenges.

The Vusion platform

The VUSION Retail IoT Cloud platform helps retailers accelerate their digital transition and transform their physical stores into true digital, automated environments, driven by Data and AI and connected to consumers and suppliers:

- Vusion improves the agility and accuracy of prices and ensures the omnichannel synchronization of prices, product information, and marketing campaigns;
- Vusion optimizes the productivity and accuracy of order preparation and the restocking of products on shelves;
- Vusion eases the workload of in-store staff by automating low value-added processes and allows them to focus on customer service and merchandising;
- Vusion monitors the shelves in real time and connects them to the Cloud, providing precise, real-time information on the availability of products on the shelves, their location, and compliance with merchandising plans, while reducing inventories, stock-outs, and waste;
- lastly, Vusion provides consumers with better, more transparent, and reliable product information, as well as a smooth shopping experience thanks to product search, in-store guidance, and pay-per-label features.

“Vusion: a cutting-edge technology backed by an active intellectual property strategy.”

An industrial Cloud and high availability

The Vusion platform helps large retailers benefit from all the “elastic” power of the Cloud to deploy very quickly and manage a large number of stores and digital labels over time at a much lower cost than any other architecture and with peak performance.

For example, the ability to simultaneously update all prices for a retailer that has 1,000 stores (e.g., “Black Friday” scenario for 10 million ESLs), guaranteed in less than two hours.

The VusionGroup Cloud is already a success at scale, now with more than 24,000 stores and 152 million labels fully managed in the VusionCloud.

In accordance with GDPR legislation, all teams with access to and working on the Cloud operating in European stores are located entirely in Europe.

A highly secure and ultra-efficient communication protocol

The IoT transmission technology developed by VusionGroup is based on highly secure electronic chips produced by two recognized semiconductor giants (Texas Instruments and Silicon Labs) associated with VusionOX enabling very fast transmission speeds (hypermarkets can be updated in under an hour) with very low energy consumption. Each tag has a unique, tamper-proof encryption key and end-to-end transactions are secure. The protocol developed by VusionGroup guarantees that there will be no interference with other HF/Wi-Fi networks.

An in-store infrastructure that is both extremely light and robust

Servers and Core Appliances are no longer required in stores, eliminating any single point of failure (SPOF). The only active elements are the Access Points (AP), which are mutually redundant. Each ESL is “seen” by several APs, guaranteeing that hardware failures in stores have no effect on operations. Redundancy and the absence of a SPOF thus contribute to the solution’s maximum availability.

Pooling of ESL and Wi-Fi infrastructure

VusionGroup has established close partnerships with Cisco-Meraki, Aruba, Mist (Juniper), Extreme Networks, Lancom, and Huawei, enabling the integration of VusionGroup’s protocol on their Wi-Fi devices, eliminating the additional costs related to cabling, the installation, maintenance, and operation of infrastructure specific to ESLs. Skills are also pooled with those already required to operate Wi-Fi. As a result, operating and investment costs are significantly reduced.

“VusionGroup specializes in smart and connected digital labels and IoT solutions.”

Unrivaled expertise in color e-Paper technology

Since the acquisition of PDi in Taiwan in 2016, VusionGroup has been the pioneer of color e-Paper developments in close collaboration with our partner (and shareholder) E Ink, and carried out the vast majority of deployments using BWR (Red) and BWY (yellow) labels, which helped major retailers to effectively and efficiently distribute their commercial and promotional policies.

The widest range of e-Paper graphic labels comprising 20 formats, including labels for extreme environments (for freezers and resistant to liquids, perfumes, and high temperatures).

A high-speed and multi-color flashing light with the widest angle (180°) and the greatest visibility distance for genuine and truly effective visual assistance for picking up ("pick to light") and restocking merchandise.

The EasyLock security system is tried and tested in the market with more than 100 million ESLs now secured in stores.

The smart Eco-Design ensures that the electronic labels designed by the Group can be easily repaired and recycled. Since 2016, nearly 7 million ESLs have been collected and refurbished. This program and all of the Group's eco-design efforts are detailed in the CSRD statement enclosed in this URD.

Industrial Superiority and Competitiveness

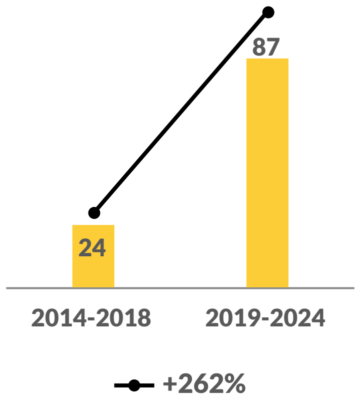
Thanks to its strategic partnership with BOE, VusionGroup has developed the world's first megafactory for digital labels, which is automated and vertically integrated. The group has also established an industrial base in Vietnam with Jabil to serve the American market and is working on setting up operations in North America. As a global leader, VusionGroup leverages its scale advantage to offer its clients optimal competitiveness and quality. The design and industrialization quality is ensured through a rigorous selection of components, integrated solution security, intensive industrial testing, and certifications from major organizations.

The Vusion solution stands out with the best total cost of ownership (TCO) on the market, thanks to competitive prices for premium quality labels, savings achieved via the Cloud, and the integration of the V:IoT protocol into Wi-Fi equipment. This reduces infrastructure and maintenance costs. The EasyLock mounting system protects electronic labels, reducing losses and theft. Overall, the Vusion solution offers a TCO that is at least 25% lower than other solutions on the market.

Intellectual property

Innovation supporting retail has been the mission and DNA of VusionGroup since its creation nearly. 30 years ago by a retailer passionate about technology. Since the beginning of the decade, innovations have picked up pace: the first geolocated label, the first NFC smart label, the first color labels, the first cloud platform, the first "infra- less" integration (Cisco), the realogram, detection of stock-outs, pay-to-tag, etc. R&D expenses have been constantly increasing in recent years and explain the Company's position as the undisputed world leader and its strong global market share.

Number of patent families filed by VusionGroup since 2014



VusionGroup supports this activity with a rigorous patent filing policy to secure its customers' long- term investments and protect them – given the size of the patent portfolio in the IoT field – from possible intellectual property appeals when the market becomes a mass market.

The Group has, in total, more than 712 active patents in 18 countries, divided into 137 different families that cover all of VusionGroup's technological expertise (displays, IoT, radio, artificial intelligence, etc.).

More than 931 active patents

in 18 countries

159 different families that cover all of VusionGroup's technological expertise (displays, IoT, radio, artificial intelligence, etc.)

Geographic expansion and leading position in strategic markets

Global presence

In 2024, VusionGroup was a truly global company with around 90% of its revenue generated internationally.

VusionGroup is the only player in its sector to have strengthened its international presence through its numerous subsidiaries (in the United States, Canada, Mexico, Australia, Japan, Taiwan, Hong Kong, Germany, Ireland, Austria, Croatia, Italy, Spain, Netherlands, United Kingdom, and Denmark), in addition to its network of international strategic partners.

VusionGroup's objective is to be a leader both globally and in all of its priority markets, as it has high potential. Its priority target is currently the top. 350 global retailers, but the Group is also developing, through a product offering and specific partnerships, a strategy dedicated to small and medium-sized retail chains, which will be an important driver of long-term profitable growth.

As part of the Vusion'27 plan, the Group ambitions to reach sales of €2.2 bn by 2027 (30% CAGR), with half coming from Europe (€1.1 bn), €0.9bn from North America and €0.2 bn from the rest of the world.

Leading references

VusionGroup has more than 350 major distribution groups among its customers, half of which are in the Top 100 worldwide and around 40% in the Top 250 (based on the Deloitte Top 250 Global Powers of Retailing 2021).

In particular, VusionGroup works with the most successful global retailers, leaders in their respective markets, such as Walmart, Edeka, Rewe, Casino, Leclerc, Colruyt, Coop, Dansk, Spar, MediaMarktSaturn, etc.

VusionGroup stands out for its exceptional references in terms of large-scale deployment, with more than a dozen brands that have equipped more than 1,000 stores with the SES-imagotag solution.

350
retail chains are customers of VusionGroup

50 %
of the top 100 companies according to Deloitte's ranking[(1)]

40 %
of the top 250 companies according to Deloitte's ranking[(1)]

(1) Deloitte Top 250 Global Powers of Retailing 2021 Ranking.

Leading global partner ecosystem

For several years, the Group has been strengthening its cooperative ties with its partners (Microsoft, Qualcomm, SAP, E Ink, Aruba, Cisco-Meraki, Lancom, Mist, Panasonic, Proximus, T-Systems, Telefónica, etc.).

This powerful global ecosystem of technology and business partners facilitates and accelerates the adoption of VusionGroup’s digital solutions by retailers worldwide.

Resolute sustainable development policy

The mission of VusionGroup is to help the digital transformation of physical retail; it must benefit as many stores as possible around the world, but also consumers by meeting the highest standards to satisfy them and protect them.

This digitization must also benefit the economy and society at large: better meet consumer expectations, stimulate employment, build better cities (by reducing store erosion), produce less waste, increase food traceability and security, and finance the transition to more sustainable agriculture.

These challenges have been presented and structured in our roadmap for positive retail:

Make physical stores a digital asset first. Contribute to the adoption of digital technologies by physical stores and sustain the economic health of the sector;

Protect the environment by making the digital transformation of commerce low-carbon and sustainable: aiming to reduce the carbon footprint of our solutions and contribute to reducing that of our customers thanks to the many use cases enabling the avoidance of additional issues; while aligning itself with the guiding principles of the OECD and the United Nations in terms of human rights, the fight against corruption and compliance with competition law.

On human rights, anti-corruption, legal compliance, and fair competition.

In 2019, the Group launched its roadmap for positive commerce.

Legislative and regulatory environment

The Group's activities are subject to various regulatory provisions under European Union law and national regulations applicable in the countries where it operates. Within the European Union, the regulations applicable to certain areas relating to the Group's activities are relatively harmonized between the various Member States in which the Group operates. The following developments are intended to provide an overview of the main regulations applicable to the Group's activities.

Intellectual property regulations

In the various countries where it operates, the Group is required to comply with the diverse regulations protecting intellectual and industrial property, particularly with regard to counterfeiting and patent law.

At the European level, Directive (EU) 2015/2436 of the Parliament and of the Council of December 16, 2015 reconciling the laws of the Member States on trademarks, as amended, and, as regards the creation, registration and protection of a trademark at the European Union level, by Regulation (EU) 2017/1001 of the European Parliament and of the Council of June 14, 2017 on the European Union trademark, as amended. In accordance with these provisions, trademarks can be registered with the European Union Intellectual Property Office (EUIPO) in order to obtain protection throughout the European Union *via* a filing and single review procedure. The protection granted is for a period of 10 years and is renewable. Directive 2001/29 of the European Parliament and of the Council also harmonized certain aspects of copyright and neighboring rights in the information society, so that the mere display for sale or listing of protected trademarks could be made punishable.

At the national level, trademarks can be registered with a competent national authority designated at the level of each State, such as the National Institute of Industrial Property (INPI) in France, and thus obtain national protection within the country in which registration is sought. In France, the filing of a trademark at the national level gives rise to a priority right of six months to extend protection abroad. Similar national regulations are applicable in the other countries in which the Group operates.

Directive 2004/48/EC of April 29, 2004 on the enforcement of intellectual property rights aims to harmonize the measures, procedures and remedies available in the EU to combat infringement of intellectual property rights, including patents. It concerns all intellectual property rights, including patents, trademarks, copyrights and designs. Directive 2004/48/EC has strengthened the fight against counterfeiting in Europe and is regularly invoked by right holders, particularly in the context of patents and intellectual property litigation.

Decree No. 2018-429 of May 31, 2018 on the European patent with unitary effect and on the unified patent court introduces specific rules for the payment of fees for maintaining a European patent in force in the event of rejection of the patent unitary effect by the European Patent Office or the unified patent court. It also specifies the exclusive jurisdiction of the unified patent court and the consequences of this jurisdiction on proceedings brought before the Paris *Tribunal de Grande Instance*.

1 2 3 4 5 6 7 8 9

“Vusion : Innovative technology protected by an active intellectual property policy.”

Environmental regulations

As part of its various activities, the Group is required to comply with environmental regulations.
These regulations include the provisions on the removal and treatment of end-of-life electrical and electronic equipment, the regulation of which was harmonized at European level by Directive 2012/19/EU of the European Parliament and of the Council of July 4, 2012 on waste electrical and electronic equipment (“WEEE”).

The Group must also ensure that it complies with the environmental standards inherent to its equipment, including the regulatory toxicological requirements of Regulation 2006/1907/EC of December 18, 2006 known as REACH. In addition, the regulations impose specific requirements on electrical and electronic equipment, in particular under Directive 2011/65/EU of the European Parliament and of the Council of June 8, 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

For more details on sustainability information, see section 4 of this document.

Regulations applicable to personal data

In the course of its activities, the Group collects and processes personal data on behalf of the Group’s companies, in their capacity as data controllers, on behalf of other Group companies as a subcontractor or on behalf of the Group’s customers, as a subcontractor. Personal data is collected in the course of the Group’s activities, in particular data relating to Group employees, Group service providers, Group customers and, where applicable, brick & mortar store customers who are themselves Group customers.

Regulation 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of data (“GDPR”) governs personal data protection in Europe since its entry into force on May 25, 2018 and applies to the processing, whether automated or not, of personal data carried out by any entity established in the territory of the European Union or to the processing carried out by an entity outside the European Union where the processing activities relate to the provision of goods or services to persons within the European Union or to the monitoring of the behavior (targeting) of such persons. Personal data is broadly defined as any information relating to an identified or identifiable natural person, directly or indirectly, regardless of the country of residence or nationality of that person.

In accordance with the GDPR, the Group must comply with several essential rules in order to guarantee the confidentiality and security of the personal data processed. The GDPR offers Member States of the European Union the possibility of making local adaptations. France has made use of this option under the law of June 20, 2018, reforming Law No. 78-17 of January 6, 1978 relating to data processing, files and privacy (the “French Data Protection Act”). Therefore, in addition to the GDPR, local data protection laws in the countries in which the Group is established or offers services, in this case the French Data Protection Act, must be taken into account.

Applicable anti-corruption legislation

The Sapin II law, which entered into force on June 1, 2017, requires French companies with more than 500 employees and revenue in excess of €100 million to implement an anti-corruption compliance program. This program must include:

- a Code of Conduct defining and illustrating the different types of behavior to be prohibited;
- an internal whistleblowing system to collect reports from employees and related persons;
- risk mapping aimed at identifying, analyzing and prioritizing corruption risks;
- procedures for assessing third parties (customers, suppliers, intermediaries) based on risk mapping;
- internal accounting control procedures to ensure that the books, records and accounts do not conceal acts of corruption;
- the Waserman law, adopted on March 21, 2022, strengthens the protection of whistleblowers in France. It complements and improves the provisions of the Sapin II law.

2

Risk factors and uncertainties

2.1	**Risk factors and associated risk management measures**	**30**
2.1.1	Strategic risks	32
2.1.2	Operational risks	36
2.1.3	Legal, financial and compliance related risks	40
2.2	**Insurance program and internal control**	**43**
2.2.1	Insurance policy	43
2.2.2	Internal control and risk management policy	43

2.1 Risk factors and associated risk management measures

The group has set up a *Risk Committee,* composed of *managers and executives of the Group*, which regularly monitors:

- the identification of the company's risks, including environmental risks, that could have an impact on its business, image and financial results;
- actions to reduce or control them.

The Audit Committee reviews and assesses:

- significant risks that could affect the Group's activities;
- the appropriateness of the procedures implemented to deal with them.

The Audit Committee's findings and conclusions are presented to the Board of Directors, which approves the main risk factors included in this Universal Registration Document (URD).

Pursuant to European Regulation No. 2017/1129 of June 14, 2017, the risk factors are:

- presented by type (strategic, operational, etc.);
- assessed on a net criticality basis after assessing their severity and probability of occurrence, and taking into account the action plans put in place (see "Risk management").

Within each risk category, the risk factors that the Company deems the most significant and the most critical at the date of this Universal Registration Document are mentioned first.

Summary of the main risk factors

The following table classifies the main and specific risks to which VusionGroup is exposed into three categories:

1) strategic risks;
2) operational risks; and
3) legal, financial and compliance-related risks.

For each category, the risks are indicated in decreasing order of importance, according to a four-level scale: critical, high, moderate and low.

Risk categories	Risk factors	Type of risks identified	Net criticality
Strategic risks	Price competition	Pressure on hardware margins	High
	Geopolitical tensions	Industrial and logistical reorganization due to geopolitical tensions	High
	Economic environment	Slower growth in our main markets (decrease in consumption)	Moderate
	Products and services	Delayed deployment of new services/solutions for our customers	Moderate
	Technological disruption	Major technological disruption in one of our products or solutions	Moderate
	Climate and decarbonization	Adaptation to climate change and evolution of the business model (decarbonization)	Low
Operational risks	Cyber attacks	Cyber attacks and data theft	High
	Component sourcing	Supply chain failure Failure of significant suppliers	High
	Customer dependency	Growth and dependence on major clients	High
	Quality	Quality of products or services: manufacturing or functional defects	Moderate
	Commercial forecasts	Impairment of inventories due to innovation or erroneous business forecasts	Moderate
	Key personnel	Loss of key personnel	Moderate
	Technology skills attraction	Attracting and retaining technical/technological skills	Low
Legal, financial and compliance-related risks	Intellectual property	Counterfeiting	High
	Activism vulnerability	Exposure to destabilization campaigns	High
	Ethics and compliance	Corruption: non-compliant internal or third-party behavior	Moderate
	Currency	Exchange rate risks	Low

The main risks specific to the Group, as well as their negative impacts and the measures implemented to manage them, are described below.

2.1.1 Strategic risks

2.1.1.1 Pressure on hardware margins

The Group faces intense competition from international players, mainly from Asia, seeking to acquire market share by charging very competitive prices.

These competitive pressures, affecting, in particular, the selling prices of hardware equipment, could erode the Group's sales and profitability and undermine its outlook.

Consolidation of the various market players, particularly among industrial assemblers or component suppliers, could change the competitive landscape of the electronic shelf label industry and lead to pressure on prices, costs and margins.

Price Competition risk management

The Group applies a strategy to prevent these risks based on several key areas:

- Active and global competitive monitoring: ongoing efforts to improve industrial competitiveness and reduce costs have been made, based in particular on strong purchasing expertise and a leadership strategy regarding market share maximizing economies of scale;
- A strengthened "design-to-cost" approach intended to create a range of "low-cost" products that meet a significant share of global demand and make it possible to be even more dynamic in the face of our competitors;
- Significant investments in R&D and innovation (see section 2.1.1.5) that aim to establish strong differentiation and add value, reinforced by an active policy in terms of filing and defending the Group's intellectual property;
- Support from Chinese subcontractors, in addition to the Group's European, American and Taiwanese R&D centers to be as close as possible to the ecosystem of Chinese suppliers (product design);
- A focus on targeted markets where our differentiation strategy through services can play out favorably and where we aim at a significant market leadership and market share;
- The Group is developing close ties, along with capital ownership, with key players in the value chain (BOE technology and E Ink group, in particular), in order to deepen its cooperation and converge its interests with these key players.

2.1.1.2 Industrial and logistical reorganization due to geopolitical tensions

Major geopolitical events can generate:

- effects that jeopardize the security of our activities;
- significant economic disruptions;
- failures in our organization.

The criticality of these disruptions depends on the location and scale of the geopolitical events.

The identified subjects for consideration are:

- the safety of the Group's employees;
- supply and logistics scheduling difficulties, both in terms of available capacities and available transport routes;
- cyber risks (see 2.1.2.1);
- collection risks in relation to customers located in the affected area;
- a slowdown in commercial growth in this same region.

Due to the situation in Ukraine and the Middle East, the Group has not planned any significant commercial development in these areas.

The land routes connecting Asia to Europe cross China, Kazakhstan, Russia, Ukraine and Poland and the shipping route crosses the Red Sea disrupted by the Houthis attacks. Organizational (logistical) disruptions are therefore the main effect of the Ukraine crisis and the crisis in the Middle East.

Furthermore, increasing geopolitical tensions, exacerbated by recent events such as changes in trade policies—particularly from the United States—and international conflicts, could create new short-term risks. The rise in customs barriers and protectionist policies could lead to a contraction in the Group's product exports to certain regions of the world.

1
2
3
4
5
6
7
8
9

Risk management associated with geopolitical events

- Implementation of a strategy to diversify sources and suppliers of critical components as well as main industrial partners (see 2.1.2.2);
- Constant monitoring of the difficulties that service providers may face by the managers of the Global Manufacturing Operations & Sourcing and Logistics departments;
- Existence of a proven alert and crisis management system aimed at rapidly mobilizing the organization in the event of a major event;
- Multiple options of alternative sea and land routes for logistics flows:
  - in the context of the Ukraine and Middle East crises, the Group has established alternative routes through the Baltics with the help of its logistics service providers and in coordination with its insurance broker. It has also carefully managed the number of trucks per convoy;
  - other shipping routes remain operational as long as passage through the Red Sea remains impracticable;
  - the Group has also inaugurated new modes of land transport by rail, further diversifying its transport options from China.

2.1.1.3 Slower growth in our main markets

According to the International Monetary Fund's January 2025 forecasts, global growth is expected to be slightly below its historical average in 2025, masking certain disparities between developed economies: the rise in forecasts for the United States has offset the fall in forecasts for other developed countries, particularly the largest European countries.

However, the medium-term outlook has worsened for many developing countries due to:

- slower growth in most major economies;
- the sluggishness of global retail;
- more restrictive financial conditions than in decades;
- the still uncertain impact of the increase in customs duties, particularly in the United States.

If the current economic environment were to deteriorate, this could have a material adverse effect on the Group and its business, financial position, results and outlook.

Changes in demand for products offered by the Group are generally linked to changes in macroeconomic conditions, in particular changes in gross domestic product in the countries where the Group markets its products and services. Periods of recession or deflation, potential increases in customs barriers and other trade restrictions by certain countries may dampen demand, the growth of the global economy and, consequently, the Group's business.

In addition, during periods of economic recession, some of the Group's customers are likely to experience financial difficulties that could lead to payment delays or even arrears.

The strategy of having a geographically diversified portfolio proved its relevance during the health crisis, with some regions remaining very dynamic while others were severely affected by the crisis, enabling the Group to maintain strong overall growth.

The Group was able to record revenue growth of 25% during the fiscal year ended December 31, 2024.

In order to reduce its exposure to risk, in particular when regional dependence becomes significant, in 2024 the Group continued and accelerated a regional rebalancing of activity between the Americas and Europe, seeking to limit the risk of exposure to the global economic slowdown due to:

- a better macroeconomic situation in the United States and a more favorable economic outlook than in the rest of the world;
- the very low penetration rate of IoT solutions in American stores;
- the increase of major contracts with American retail leaders, thus launching a strong equipment dynamic.

Economic risk management

- Monitoring the global economic environment and in particular the countries in which the Group markets its products and services;
- On-going geographical diversification of the business portfolio;
- Establishment of a global network of specialized correspondents (lawyers, tax specialists) to monitor regulatory changes in trade restrictions.

2.1.1.4 Delayed deployment of new services and solutions for our customers

Certain services and solutions (Computer Vision, Data Analytics, Industrial Solutions, etc.) could be subject to marketing delays which could in turn affect projected revenue due to their later adoption by customers. Due to the significant share that these solutions and services represent in the Group's growth plan and their strong contribution to the operating margin, this delay would have an impact on the Group's revenue and EBITDA.

Managing the risk of delayed deployment of new services and solutions

The Group applies a strategy to prevent these risks based on several key areas:

- Significant investments in its historical ESL business by improving their margins thanks to revenues from software and related services;
- New matrix organization guided by "ranges and lines of products and services" intended to promote the launch of new lines and the creation of "solution lines", each combining several of the Group's products, thus leading to better promotion and increased sales of VAS-type products (including software);
- Support for investment in R&D and commercial activity to facilitate the prioritization of projects and their deployment.

2.1.1.5 Major technological disruption in one of the Group's products or solutions

Certain technological innovations introduced by competitors or new entrants could make it possible to meet the expectations of the Group's customers in a more efficient or cost-effective manner, and thus weaken the Group's financial and business position.

Technology risk management

In order to maintain its advantage in terms of technological advances, the Group is constantly innovating and bringing new solutions to the market.

Thus, it:

- Conducts an active global technology watch in areas related to its business: digital display technologies, radio protocols, connected objects, Computer Vision, artificial intelligence, etc.;
- Invests significant amounts in R&D and intellectual property (see section 5 "Investments");
- Makes acquisitions of patents or companies with missing and significant technologies (Imagotag, Findbox, PDI, MarketHub, In The Memory, Belive.ai); or
- Establishes strategic technological partnerships to benefit from a strong ecosystem (Microsoft, SAP, Google, Blue Yonder, Qualcomm, BOE, E Ink, etc.).

The Group's intellectual property policy and protective measures are detailed in section 2.1.3.

2.1.1.6 Adaptation to climate change and the evolution of the business model (decarbonization)

The Group strengthens its commitments year after year to contribute to a decarbonized world and to develop solutions for more sustainable and responsible commerce.

The main identified risks are:

- Increased financial efforts (OPEX and CAPEX) related to investments in the greenhouse gas emissions reduction plan.
- The impact on the Group's profitability resulting from new environmental regulations and/or taxes (producer liability, carbon taxation).
- Reputational risk for a company that does not demonstrate a sufficient sustainability strategy and commitment : the recurring demands from our stakeholders, particularly our clients and investors are a constant demonstration.
- By 2050, if the global ecological transition does not occur quickly enough, rising temperatures and water scarcity could have a direct impact on the Group's upstream supply chain, its organization (subcontracting locations, storage, R&D centers), its data server centers, and their energy supply.

The risks and opportunities related to climate change are part of a timetable set by the Group at 2030, which also corresponds to the end of its decarbonization objectives, approved in 2024 by the SBTi (Science Based Target initiative).

Risk management related to changes in the business model

The Group has made the following commitments as part of its climate strategy (refer to the CSRD statement in section 4.2 for more information):

- Promoting the decarbonization of retail, thanks to functionalities developed by the Group (fight against food waste, preparation of e-commerce orders in stores, etc.);
- Decarbonizing its solutions (SBTi commitments - see section 4), with carbon intensity decreasing by 25.4% in 2024 compared to 2022;
- Structure its own label recycling sector, allowing them to have a "second life" and thus promote a circular economy.

The Group participates in numerous evaluations of its sustainable development action plan by specialized rating agencies and continuously works on its improvement. The Group also focused in 2024 on meeting the regulatory requirements of the CSRD.

Risk management associated with the climate and more frequent and extreme natural events and disasters

The climate risk analysis strategy is developed in section 4.2.

1) Suppliers of electronic components and labels also have their own supply chains and could encounter similar issues. The Group has initiated mitigation measures since 2021, thanks to its active multi-sourcing policy and the opening of label assembly sites on the American continent.
2) The most critical partners undergo annual audits to ensure that natural disasters are adequately considered in their business continuity plans (BCP) and that regular exercises are conducted.
3) Effective analysis of the Group's business model resilience and its adaptation to the impacts of climate change will be key elements in responding to natural disaster risks. The Group has already assessed climate risks at its main sites (see section 4.2.1).

1
2
3
4
5
6
7
8
9

2.1.2 Operational risks

2.1.2.1 Cyber attacks and data theft

Gaining visibility, the Group is more exposed to the risks of cyber attacks, for example, ransomware, data theft, identity theft, denial of service, etc. The occurrence of one of these events could have a negative impact on its operational activity, its commercial offering and, therefore, on its performance.

The evolution of the methods used by hackers, such as the use of social engineering or phishing coupled with new technologies easily available on the darknet (EvilProxy, "DDOS on demand" etc.), and the advent of artificial intelligence, expose the Group to new threats and a growing number of players. Computer attacks and intrusion attempts, which are becoming more and more structured and targeted, can affect the Company as well as its customers and private or public partners.

In addition, if VusionGroup's strategic suppliers were to become victims of fraud or hacking, this could compromise the services or solutions used by the Group.

More generally, system failure could lead to:

- loss or leakage of confidential or commercial information;
- operational delays; or even
- discredit the Company's reputation by blocking solutions for the Group's customers;
- which would generate additional costs that could harm the Group's strategy or image.

Despite the procedures put in place by the Group, it cannot guarantee hedging against these technological and IT risks and could encounter difficulties in the normal course of business should one of these events occur. This could have a detrimental impact on its business, results, financial position and ability to achieve its objectives.

Risk management related to the security of information systems

As part of its transformation towards the distribution of digital solutions, the Group has implemented a series of organizational, operational and technical measures to protect its various solutions:

- Regular audits and intrusion tests by the Information Systems Department to assess its maturity in terms of securing the networks, and the systems and applications necessary for the continuity of the Group's business;
- Implementation of an information security management system (ISMS) aligned with the expectations of ISO 27001 and enabling the continuous implementation of an action plan adapted to identified risks;
- Investment in various analysis and security tools guaranteeing the security of its systems and data. In conjunction with its internal control and security policy, these organizational, functional, technical and legal security measures are subject to regular checks;
- Significant reinforcement during the 2024 fiscal year of the operational teams dedicated to information systems security, as well as the creation of a Risk and Security Department in charge of managing, regularly testing and continuously strengthening the security programs of the various Group locations;
- Regular and up-to-date IT hygiene awareness training for employees.

Data security risk management

The Information Systems and Research and Development Departments are responsible for data security:

- Establishment of classification rules and strict procedures for defining and allocating access to data, ensuring their confidentiality (principle of least privilege);
- Using leading Cloud hosting solutions to ensure a high level of availability;
- Regular backups on various media;
- Training of all employees and IT and R&D stakeholders in development rules and best practices to ensure that solutions comply with the "Privacy by Design" and "Security by Design" rules.

2.1.2.2 Supply chain failure

The Group relies on a good supply of electronic components and screens in order to carry out industrial scheduling with its industrial assembly subcontractors.

The potential causes of supply chain failures, which could have an impact on the Group's activities, results, financial position or outlook, can be multiple:

- failure of one or more suppliers of components or screens;
- major social movements;
- unforeseen stock-outs;
- quality defects;
- natural disaster;
- import/export restrictions or sanctions;
- health crisis;
- geopolitical tensions;
- more generally, any disruption in supply, in particular, due to possible tensions on the supply of electronic components.

The cost of components represents a substantial portion of the Group's consumed purchases.

As a result, a substantial increase in the cost of components due, in particular, to a contraction in the Group's supply or a concentration of suppliers could, therefore, have a significant impact on the Group's variable cost margin. More generally, it could have a material adverse effect on its business, financial position, results and prospects if it were not in a position to pass it on to its customers within a reasonable time.

In addition, supply also depends on smooth and timely supply chain and logistic flows. The failure or delay of a transport service provider or any tension in the logistics chain, due to disruptions in the availability of resources or means of transport, in particular containers, due for example to major strikes, import/export restrictions, health crises or disruptions to shipping routes, could result in the Group's inability to deliver to its industrial subcontractors or customers, and result in additional costs or even order cancellations, leading to a negative impact on its business, results, financial position or outlook.

Management of component sourcing risk

The Group applies a strategy to prevent these risks based on several key areas:

- Component source and supplier diversification policy;
- 360-degree monitoring of supply chain risks to anticipate potential supplier difficulties;
- A component requirement optimization policy by ensuring that industrial forecasts are consistent with commercial forecasts in order to prevent any risk of component shortages;
- Multimodality of logistics flows from Asia (air transport, maritime transport and land transport – Silk Road – by truck and train);
- Annual audits to ensure that the quality management system is deployed, that business continuity plans (BCP) are in place and regular exercises are carried out.

2.1.2.3 Failure of significant suppliers

The Group has outsourced all of its equipment production (ESLs, digital screens, Digital Shelf System, cameras, etc.) to several leading industrial partners specializing in the assembly of electronic products (External Manufacturing Services or EMS), including BOE, a shareholder with approximately 32% of the capital .

In the event of an increase in demand or if the Group needs to replace an existing EMS, it cannot be certain of the existence or availability of additional production capacity on acceptable terms. Similarly, the use of new production units may lead the Group to:

- experience production delays; and
- bear additional costs due to the time it will have had to spend training new EMSs in the Group's methods, products, quality control, environmental footprint and health and safety standards.

In addition, production by one or more EMS could be interrupted or delayed, temporarily or permanently, due to economic, social, or technical problems, in particular:

- the insolvency of an EMS;
- the failure of production sites; or
- an interruption of the production process due to social movements beyond the control of the Group, or due to health crises such as the Covid-19 pandemic.

Any delay or interruption in the production of the Group's products could have a material adverse effect on its business, results, financial position, or its ability to achieve its objectives.

Risks related to supplier dependency

- Production management based on first-tier subcontractors with a diversification and multi-sourcing strategy;
- A 360-degree risk monitoring strategy aims to anticipate difficulties among key partners;
- Existence of a proven alert, escalation and crisis management framework to quickly mobilize the organization in the event of a major event;
- Possible switching of production capacities thanks to the diversified location of factories in Asia or Mexico.

2.1.2.4 Growth and dependence on major clients

Although the Group's revenue is distributed among a large number of customers, some of them account for a substantial portion of its revenue.

For the fiscal year ended December 31, 2024:

- the Group's top ten customers represented approximately 76% of the Group's consolidated revenue.

The loss or contraction of the activity of one or more of these customers, a concentration of players in the sector in which they operate, or the failure of one of these customers, could reduce revenue by the same proportion. This could have a material adverse effect on the Group's business, financial position, results and outlook.

The 2027 strategic plan includes several major deals to be signed with a limited number of key customers, likely to trigger a higher customer dependency ratio.

Risk management related to customer dependency

- Maintaining a geographically diversified customer portfolio;
- Seeking new clients in under-equipped sectors or territories
- Regular monitoring/specific review of major customers;
- Researching new business sectors to equip with our solutions;
- Strengthening of recurring VAS in proportion to the group's revenue.

2.1.2.5 Quality and safety of products or services: manufacturing or operating defects

The Group may occasionally be confronted with a manufacturing or operating defect or an assembly of defective components in one of the Group's products and systems. If applicable, this could lead to liability claims of varying importance that could damage the Group's reputation and have significant financial consequences. In this context, the Group has been, may or may be required to carry out recall campaigns or to adapt or replace the equipment in question.

These complaints may harm the reputation and quality image of the products concerned and the Group. In addition, the costs and financial consequences associated with these claims would likely have a material effect on the Group's business, results, financial position and ability to achieve its objectives.

Risk management associated with manufacturing or functional defects

- The drafting of design data sheets by the R&D and Industrial Purchasing Departments that the Quality Department ensures are respected as part of a test program (at the end of production in particular);
- Monitoring focused on new product launches;
- Traceability policy for all production batches allowing, where necessary, targeted product recalls.

1
2
3
4
5
6
7
8
9

2.1.2.6 Impairment of inventories due to innovation or erroneous sales forecasts

Due to long supply cycles for production and transport, the Group may build up large inventories to ensure acceptable delivery times for its customers. If the sales forecasts used for production orders given to assemblers are subject to last-minute adjustments by customers, the Group may find itself with customer-specific products that are difficult to sell to other customers.

Similarly, the introduction of new equipment ranges may lead to accelerated obsolescence of certain standard products still in stock.

In both cases, this could lead to the impairment of the Group's inventories and therefore negatively impact its income (see also section 6 for a description of the Group's inventory impairment rules).

Risk management

- The group ensures the relevance of the "request" before confirming the purchases of components and transmitting production plans to the assemblers to avoid overproducing either standard products or specific products related to a particular customer that would be difficult to sell to other customers.
- For standard products, the Group regularly reviews security inventory levels to avoid overstock.

In addition, the turnover rates of inventory items are regularly analyzed, at the time of:

- permanent inventories via our information systems;
- biannual physical inventories.

Slow rotations are the subject of campaigns:

- of a commercial nature known as "stock push"; or
- of an industrial nature known as "rework";
- to facilitate their distribution.

For product references that cannot be covered by these targeted campaigns, the Finance Department records provisions for the impairment of inventory with low turnover, as described in section 6 of the consolidated financial statements for the year ending December 31, 2024.

2.1.2.7 Loss of key personnel

The Group's success depends to a certain extent on the continuity and skills of Mr. Thierry GADOU, Chairman and CEO, and his management team.

In the event of an accident or the departure of one or more of these executives or other key employees, their replacement could be difficult and could hamper the Group's operational performance.

More generally, competition for the recruitment of senior executives in the Group's line of business is fierce and the number of qualified candidates is limited.

The Group may not be able to:

- retain some of its executives or key employees; or
- attract and retain experienced managers and key employees in the future.

In addition, in the event that its executives or other key employees join a competitor or create a competing business, the Group could lose some of its know-how and the risk of losing customers could increase. These circumstances could have a material adverse effect on the Group's business, financial position, results and outlook.

Risk management associated with the loss of key personnel

- The Nomination and Remuneration Committee reviewed the succession plan for the Chairman and CEO.
- Since 2012, the Group has pursued a policy of retaining management teams through performance share plans (free shares). These plans have helped to ensure good stability in the management team.
- The Group has two members of the executive committee acting as Deputy CEOs in order to support the Chairman and CEO in the management and transformation of the Group for the execution of the Vusion'27 strategic 5-year plan.

2.1.2.8 Attracting and retaining technical and technological skills

In the perspective of the strategic plan for 2027, and in the context of a competitive and evolving technology industry, attracting, developing, and retaining the necessary skills is an important challenge.

The Group must respond to qualitative and quantitative challenges in terms of talent management:

- strengthen its pool of technical skills (and especially in the field of software engineering, Data and Computer Vision) to support growth and enable the delivery of new value-added services on a global scale;
- identify, attract, train, retain and motivate qualified personnel;
- build leadership capabilities at all levels to support its continued growth and transformation;
- integrate new employees.

This involves anticipating and planning the acquisition and development of the skills that will drive the Group's future success and ensure its proper development.

If the Group fails to meet these human resource challenges, this could have a material adverse effect on its business, financial position, results, or outlook

Programs and initiatives are implemented to prevent this risk:

- A people review to precisely define the need for new skills with regard to the current pool of skills;
- The development of an employer brand, for example with an increased use of social networks;
- Regular and close monitoring of each employee's objectives and managerial assessments and sharing of the value in the form of long-term Group remuneration plans;
- The development and monitoring over time of employee commitment barometers by department, business line and subsidiary (employee Net Promoter Score).

2.1.3 Legal, financial and compliance related risks

2.1.3.1 Intellectual property risks

The Group is exposed to intellectual property risks, particularly patent risks, which could affect its reputation and financial position.

These risks include, firstly, counterfeiting, of which the Group could become a victim at the hands of a third party.

If the Group is victim to counterfeiting, it could harm the quality image of the products concerned and significantly adversely affect the Group's reputation, business, financial position, results and prospects.

In addition, the Group could unintentionally be found guilty of counterfeiting, given:

- the period during which patent applications are not made public;
- the continuous shortening of development times.

This situation would affect the project margin and force the Group to:

- modify the product by increasing the research and development costs of the project; or
- negotiate the rights to use the patented element and, therefore, bear the associated costs.

The Group is or may also be involved in disputes relating to counterfeiting, whether as a defendant or a claimant. At the time of this Universal Registration Document, the Group is involved in several proceedings in the United States and Europe against one of its competitors, in particular:

(i) an action brought by VusionGroup against this competitor before the New York court for infringement of its patents, which in turn resulted in an action for invalidity of said patents initiated by this competitor (a procedure known as the Inter Partes Review in the United States);

(ii) actions brought by this competitor before the Texas Court for patent infringement, which resulted in an action for invalidity of said patents by VusionGroup (Inter Partes Review proceeding);

(iii) cross-actions by the Company and this competitor for patent invalidity before the European Patent Office.

In general, the Group's defense of its intellectual property rights or response to litigation may expose it to potentially significant amounts of damages (in the event of the loss of a lawsuit brought against it for infringement), to the inability to prevent the marketing of its patented inventions by its competitors (in the event of the loss of a lawsuit filed by VusionGroup for infringement of its patents), as well as, in certain regions (particularly in the United States), significant legal advice costs.

Lastly, the Group may be subject to claims from patent trolls, particularly in the United States and Russia and in the field of new technologies.

In accordance with applicable accounting standards and following the risk analysis carried out as of the date of this Universal Registration Document, provisions related to intellectual property disputes have been recognized in the consolidated financial statements at December 31, 2024.

Counterfeiting risk management

- Intellectual property monitoring system;
- Registration of the Group's trademarks and patents and respect for third-party rights through prior and systematic research of prior art;
- Protection of the Group's intellectual property interests through legal or administrative actions against counterfeiters.

2.1.3.2 Exposure to external destabilization campaigns

Although the Group takes great care to ensure the quality, completeness, and accuracy of the information published in the marketplace, it could be subject to destabilization campaigns or disputes from third parties (notably short-sellers), which could be extremely detrimental to the Company's reputation and stock market price. This risk has already materialized before, notably during the month of July 2023, when the Group was the subject of a destabilization campaign led by a short-seller.

In return, the Company strongly refuted the false and misleading allegations of the said short-seller. The Company also filed a complaint in July 2023 with the French Public Prosecutor's Office against the said short-seller for disseminating false or misleading information, manipulating prices and carrying out and recommending an insider deal.

Risk management related to listed company status:

- Regular monitoring of the level of securities lending and borrowing;
- Recruitment in 2024 and 2025 in the functions relating to investor relations and securities law.

2.1.3.3 Ethics and compliance

In the course of its business, the Group may be exposed to risks related to corruption, particularly in some of the emerging countries in which it operates.

Despite the Group's efforts to implement systems and raise awareness of its ecosystem, it cannot guarantee that its employees, suppliers, subcontractors, or other business partners will comply with the regulations in force regulations and the strict requirements to which it adheres in terms of anti-corruption regulations and international sanctions.

Any behavior that contravenes these values or applicable regulations could seriously engage the Group's liability and have repercussions on its reputation. This could have a material adverse effect on its business, image and reputation, financial position, results or prospects.

Ethics and compliance risk management

- The Group has a mapping that lists all of its vulnerabilities and implements action plans dedicated to their remediation.
- A code of ethics and a supplier code of conduct, published on our website, formalize the rules of behavior expected in the Group from all employees, suppliers, subcontractors and our network of partner-distributors.
- To ensure that any suspected breach of our Code of Ethics is reported and investigated, the Code of Ethics is signed every year by each employee and a whistleblowing process is available to our employees, with the option of anonymity.
- Awareness-raising and training systems have been set up; all Group employees are regularly reminded of the applicable rules and the Group's values.
- To assess the ethics of a majority of our suppliers, a supplier code of conduct signature campaign is organized annually by the "Industrial Purchasing" Department as well as an EcoVadis evaluation campaign (see section 4).
- In 2024, the Group was strengthened by the creation of the Risk, Control and Internal Audit Department, which intervenes in particular on compliance and fraud prevention.

2.1.3.4 Risks related to exchange rates

The Group conducts some of its sales in euros, while most of its production costs are denominated in US dollars (USD). The Group is thus exposed to fluctuations in the euro/US dollar exchange rate that could have an impact on the Group's financial position (see also Note 26 to the consolidated financial statements).

Risks related to exchange rate

- The practice of "netting" currency flows as the Group's business grows in the USA, supplemented by the signature of contracts in Europe but denominated in USD. These actions provide a natural hedge and gradually balance sales invoiced and expenses denominated in USD.

2.2 Insurance program and internal control

2.2.1 Insurance policy

The Group is implementing an insurance policy *via* a leading broker to obtain coverage across its global scope. This will make it possible to cover the risks to which the company and its employees are exposed and which can be insured at reasonable rates. The Group believes that the nature of the risks covered and the guarantees offered by this insurance are in line with the practice adopted in its sector.

The Group's insurance program with leading insurers includes the following insurance policies:

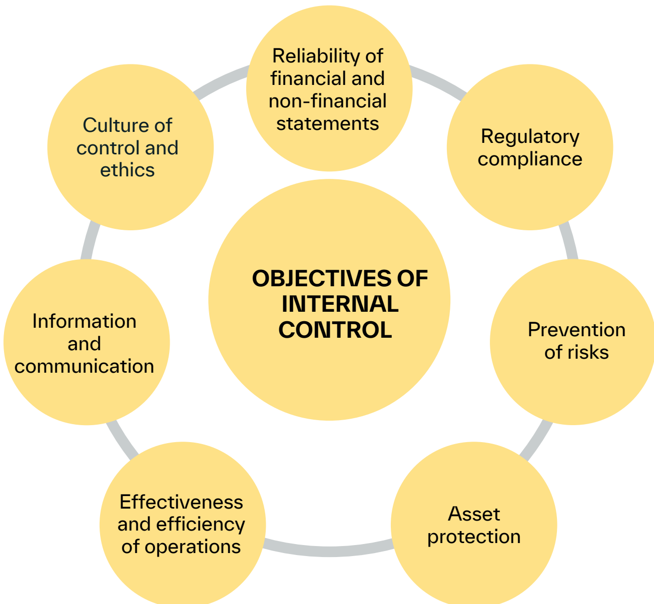
- **Civil liability:** Civil and professional liability insurance covering the liability that the Group may incur during the course of its business;
- **Cybercrime:** Insurance against digital risks covering the damage suffered by the Group or the liabilities it may incur as a result of a breach of its information systems or a theft or data leak;
- **Cyber fraud:** Insurance against fraudulent acts to cover financial losses that the Group may suffer as a result of unauthorized and malicious access to its information systems;
- **Property damage:** Damage insurance covering the Group's assets worldwide against accidental risks such as fire, natural disasters and other similar risks;
- **Goods transported:** Insurance covering risks during transport and storage, covering valuables against theft during transport and/or storage;
- **Civil liability of corporate officers;**
- **Repatriation costs** for personnel travelling abroad.

2.2.2 Internal control and risk management policy

2.2.2.1 Definition and objectives of internal control

The Group defines internal control as a set of measures, methods and procedures designed to provide reasonable assurance regarding the achievement of several fundamental objectives.
The internal control objectives within the Group are designed to protect the interests of shareholders and other stakeholders.

These objectives include:



1. **Reliability of financial information**

   Ensuring that financial statements are prepared and presented with:

   - accuracy and compliance with generally accepted accounting principles and international financial standards;
   - transparency toward investors and regulators.

2. **Regulatory compliance**

   Ensuring that the Group's activities are in line with:

   - applicable laws and regulations;
   - standards;
   - the rules established by the stock market regulatory authorities;
   - internal requirements.

3. **Prevention of strategic and operational risks**

   Promoting informed decision-making through better control of uncertainties:

   - identifying the Group's main strategic risks and develop action plans to manage them;
   - identifying the main operational risks (including the risk of fraud) and develop action plans to manage them.

4. **Protecting the Group's assets**

   - Ensuring the implementation of security barriers and safeguards for tangible and intangible assets in order to protect the Company's assets against loss, fraud, spoilage or other threats.

5. **Effectiveness and efficiency of operations:**

   Achieving the Group's objectives:

   - without wasting resources;
   - with an efficient use of resources;
   - with operations carried out efficiently.

6. **Information and communication**

   - giving the management a clear and precise overview of activities and risks;
   - ensuring clear and regular reporting for internal and external stakeholders (shareholders, investors, regulators).

7. **A culture of control and ethics**

   Strengthening supervision, the role of management and the Board of Directors:

   - spreading a culture of integrity and transparency throughout all levels of the Company;
   - raising employee awareness of the importance of the controls and best practices in place;
   - building the confidence of stakeholders (customers, partners, investors).

2.2.2.2 Reference frameworks

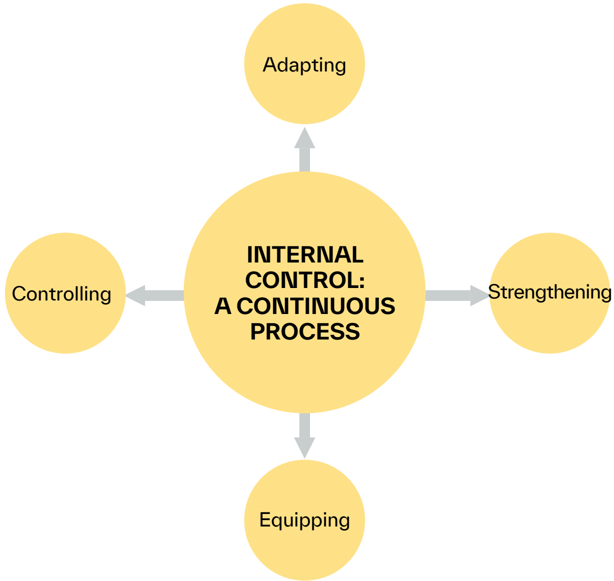
The Group's internal control system is based on the reference framework proposed in 2007 by the French Financial Markets Authority (AMF – Autorité des marchés financiers), supplemented by its application guide, and updated on July 22, 2010.

This reference framework covers risk management and internal control systems, and addresses the processes for managing and preparing accounting and financial information as well as risk management and internal control procedures.

This reference framework is itself consistent with the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework.

2.2.2.3 A continuous improvement process

In 2024, the Group continued to improve its internal control system, in particular:



- Strengthening the internal control structure, in particular through the creation of a department dedicated to risk management and control.
- Finalizing the modification of the accounting organization to increase the segregation of tasks and the associated control environments.
- Implementing tools to digitize, automate, and steer the strengthening of internal control.
- Creating and updating internal policies and procedures to strengthen the control environment and raise the awareness of Group employees.
- Establishing new thematic committees and cross-functional working groups to strengthen the existing control structure.
- Continuing and accelerating the compliance program, in particular the anti-corruption program.

2.2.2.4 Organization and players in the internal control system

2.2.2.4.1 The Company's strategic internal control players

The Audit Committee

It ensures that:

- the financial statements are prepared independently and are properly audited;
- financial and non-financial risks are correctly anticipated;
- the internal control and risk management system is effective;
- the application of best ethical practices in the management of the Group's business: anti-corruption compliance plans (Sapin II law) and GDPR as well as the gifts and hospitality policy, the company and supplier code of conduct.

The risk assessment and treatment approach is the subject of a specific annual discussion with the members of the Committee and the Statutory Auditors, during which the mapping of major risks, as well as the associated action plans are reviewed.

The Board of Directors

The Board of Directors meets several times a year in order to study management's proposals in terms of debt, hedging of foreign exchange risks and any acquisitions. The budget forecasts are also presented as well as their successive revisions during the year.

The Group Legal Department

Its mission is to:

- ensure compliance with applicable regulatory and legal frameworks in the various countries where it operates;
- protect the Group's assets (particularly intellectual assets) and activities;
- protect its interests.

Its main missions are:

1. providing legal assistance for operations, preparing and updating standard management contracts for law firms, managing pre-litigation and disputes;
2. protection of intellectual property rights in collaboration with the R&D Departments for patents and marketing for trademarks; legal watch;
3. participation in the Group's acquisition strategy;
4. dealing with aspects relating to environmental regulations in close collaboration with the Operational Departments responsible for the eco-design of products, packaging and used equipment recovery processes.

The Internal Risk, Control and Audit Department

Its main missions are:

1. Risk management:
   - Identifying, analyzing and assessing the Group's strategic, financial, operational, regulatory and sustainability risks;
   - Proposing and monitoring action plans.
2. Internal control management:
   - Developing guidelines, implementing, monitoring and evaluating the effectiveness of internal control systems on the Group's processes, in conjunction with the other departments;
   - Raising employee awareness and providing training on the importance of internal control.
3. Internal audit:
   - Carrying out operational, financial and compliance audits. Drafting recommendations and monitoring the implementation of improvement plans;
   - Managing audits carried out by independent third parties when necessary.
4. Compliance and fraud prevention:
   - Monitoring processes for identifying potential conflicts of interest and whistleblowing;
   - Coordinating with relevant departments to ensure alignment with regulatory and normative requirements.
5. Reporting and governance support:
   - Preparing risk management and internal control reports for the Audit Committee, the Board of Directors and General Management;
   - Supporting governance by providing a consolidated view of risks and the performance of control systems.

The Information Systems Department (ISD)

Its main missions are:

1. Information systems governance:
   - Aligning information systems with the Group's strategic objectives;
   - Establishing policies and procedures for effective management of IT resources;
   - Continually assessing the performance and adequacy of the Group's information systems.
2. Information security:
   - Implementing filtering rules, analysis tools and controls to protect information assets;
   - Managing user authentication, access rights and cryptography;
   - Organizing safety training and awareness campaigns.
3. IT risk management:
   - Identifying and assessing risks associated with information systems, including cybersecurity and business continuity risks;
   - Maintaining a continuous improvement plan for its tools and processes to reduce risks and participating in the development of incident response and disaster recovery plans.
4. Data integrity and reliability:
   - Guaranteeing the accuracy, completeness and accessibility of data;
   - Ensuring that the information systems provide reliable data for decision-making and preparing financial statements.

5. Operational control support:
   - Developing and maintaining systems that support other internal controls;
   - Configuring systems to prevent or detect unauthorized or unusual transactions.
6. Regulatory compliance:
   - Participating in the compliance of information systems with legal and regulatory requirements.
7. Audit and monitoring:
   - Facilitating internal and external IT audits;
   - Implementing monitoring tools and dashboards for the continuous monitoring of IT systems and operations.

The Risk and Security Department

Its main missions are:

1. Identifying and preventing threats:
   - Managing malicious attacks that may affect people, tangible and intangible assets, as well as valuables;
   - Coordinating the Group's crisis management system;
   - Managing risks related to the safety of the Group's various sites;
   - Monitoring risks related to natural disasters and global warming.
2. Managing various incident management and business continuity programs:
   - Coordinating and aligning the insurance program with the Group's activities;
   - Developing and maintaining business continuity plans (BCPs) to ensure the rapid and efficient recovery of critical operations in the event of a major incident;
   - Coordinating tests and simulation exercises and identifying areas for improvement;
   - Monitoring incidents and analyzing feedback to strengthen the Group's resilience and adaptability to future crises.
3. Managing risks related to international business travel:
   - Defining and implementing systems to ensure safe business travel;
   - Raising employee awareness and providing training on best practices for business travel.

2.2.2.4.2 Accounting and financial control components

The Group's Finance Department is responsible for the Accounting and Management Shared Service Centers (SSCs) and managing them.

This organization, centralized in France, helps to improve the Group's level of internal control by:

- sharing best practices;
- standardizing procedures;
- the positive effect of the work of the SSCs on the segregation of duties.

It contributes to the proper management of accounting and financial internal control and aims to ensure:

1. the compliance of the published accounting and financial information with the applicable rules;
2. the reliability of the published financial statements and of the other information communicated to the market;
3. the preservation of assets;
4. the prevention and detection of fraud and accounting and financial irregularities.

Each month, the management control consolidates all the information from a single, centralized management tool and prepares dashboards for the Group's Management Board and management. These dashboards include appropriate analyses of significant discrepancies and trends.

Delegations of authority are established within the Group in order to define the scope of responsibilities according to the skills, resources and proximity to the operations necessary for decision-making.

Thus:

1. contractual commitments are subject to managerial delegations;
2. the expenditure commitment policy, based on a purchase order process authorized for certain buyer profiles only, including levels of commitments and delegations, is applied within our information systems;
3. the Group has a telematic portal enabling the Group's Finance Department to control cash flows and validate payment campaigns.

The Finance Department thus ensures direct internal control over the quality of the financial statements, the Group's profitability and the use of available cash.

The rapid evolution of technologies and business environments has made it essential to integrate information systems into internal control processes.

Thus, the Group regularly strengthens its internal control, in particular through changes to its various information systems.

3

Corporate Governance

3.1	**Management bodies**	**51**
3.1.1	General Management	51
3.1.2	The Board of Directors	53
3.1.3	Board committees	73
3.1.4	Conflicts of interest and declarations involving members of the administrative and management bodies	82
3.1.5	Executive's securities transactions	83
3.1.6	Transactions and agreements with related parties	84
3.1.7	Summary of AFEP-MEDEF Code recommendations not applied	85
3.2	**Remuneration of corporate officers**	**86**
3.2.1	Remuneration paid during and/or allocated to corporate officers for the fiscal year ended December 31, 2024 (ex post)	86
3.2.2	Corporate officers remuneration policy for the 2025 fiscal year (ex ante)	96
3.3	**Information likely to have an impact in the event of a takeover bid**	**103**
3.4	**Table of delegations of authority granted to the Board of Directors for capital increases**	**105**
3.5	**General Meetings and specific methods by which shareholders participate**	**106**
3.6	**Statutory auditors' special report**	**107**
3.6.1	Statutory auditors' special report on regulated agreements	107

Dear Shareholders,

This chapter constitutes the report on corporate governance prepared by the Board of Directors in accordance with the provisions of Article L. 225-37 paragraph 6 of the French Commercial Code.

This report describes the operations of the Company's administrative and management bodies. It presents the General Management's operating methods as well as the composition and operation of the Board of Directors. It also presents the specific terms and conditions relating to shareholder participation in General Meetings (GM) and of the current delegations of authority granted by the General Meeting in the area of capital increases;

In addition, in accordance with the provisions of the French Commercial Code, it presents the remuneration policy for corporate officers for the 2025 fiscal year as well as the total remuneration and benefits of any kind paid to each of the corporate officers during the 2024 fiscal year or awarded in respect of the 2024 fiscal year.

It reports on the procedure for reviewing ordinary agreements entered into under normal conditions and the factors likely to have an impact in the event of a public offer.

This report was prepared with the support of the Company's Legal Department, the Finance Department and the Human Resources Department. It was previously reviewed by the Nomination and Remuneration Committee before being reviewed and approved by the Board of Directors on April 23, 2025.

Governance Code

The Company refers to the AFEP-MEDEF Corporate Governance Code for Listed Companies (the AFEP-MEDEF Code), in its latest version of December 20, 2022, which can be consulted on the MEDEF website (www.medef.com) and the AFEP website (www.afep.com).

The Company complies with all the recommendations of the AFEP-MEDEF Code with the exception of those mentioned in the table in paragraph 3.1.7

3.1 Management bodies

3.1.1 General Management

3.1.1.1 Chairman and Chief Executive Officer (CEO)

58 years old
French

Appointment date
January 13, 2012

Term of office expiry date
Annual General Meeting 2026

Number of shares
direct holding:
212,069
indirect holding:
2,103,653 SESIM shares*

Business address:
55 Place Nelson Mandela
92000 Nanterre

Thierry GADOU
Chairman & Chief Executive Officer

Skills

Biography

Thierry GADOU, an engineering graduate of Mines de Paris, began his career in management consulting, notably at the international firm Deloitte Consulting, of which he was a Partner between 1997 and 2000. He was then the co-founder and Chairman of Hubwoo, a high-tech company listed on Euronext Paris, which within five years he made into one of the world's leading digital marketplaces specializing in electronic procurement solutions for large companies (SAP partner).

Between 2007 and 2011, Thierry GADOU managed Atos Consulting, the IT organization and management consulting division of the ATOS Group.
In January 2012, he joined VusionGroup (SES-imagotag) as CEO and Chairman.

Current appointments and positions

Within the Group
Within VusionGroup SA
- Chairman & Chief Executive Officer
- Member of the Strategy and ESG Committee

In foreign subsidiaries
- Manager of VusionGroup GmbH (Austria) and VusionGroup Deutschland GmbH (formerly Captana GmbH,Germany)
- Director of VusionGroup Ltd. (Ireland) and Solutions Digitales SES-imagotag Ltée (Canada)
- Chairman of the Board of Directors of VusionGroup Srl (Italy), SES-imagotag Mexico de S de RL de CV (Mexico) and VusionGroup. Inc. (United States)

Outside the Group:
- SESIM SA*, France, Chairman of the Board of Directors

Appointments expired in the last five years
- BOE Smart Retail (Hong Kong) Co., Director

* SESIM, a French holding company owned by the management, employees and certain directors of VusionGroup, holds 10.8% of the share capital and voting rights of VusionGroup SA.

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

Joint roles of Chairman of the Board of Directors and Chief Executive Officer

At its meeting of January 18, 2012, the Board of Directors decided on the single roles of Chairman of the Board and Chief Executive Officer of the Company (CEO), considering that this mode of governance was best suited to the Company's operational and strategic characteristics.

At its meeting on January 13, 2012, the Board of Directors nominated Mr. Thierry GADOU as CEO with immediate effect and for an indefinite period and Chairman of the Board of Directors for his term of office as Director at its meeting on January 18, 2012.

Since that date, Mr. Thierry GADOU has been reappointed as Chairman of the Board and Chief Executive Officer of the Company.

At each renewal of Mr. Thierry GADOU's term of office, the Board of Directors considered that the single functions of the Chairman of the Board and Chief Executive Officer of the Company remained the most appropriate mode of governance.

This mode of governance allows for proximity between the Board of Directors and the Chairman and CEO, guaranteeing optimal alignment between the strategic orientations approved by the Board of Directors and their effective execution.

This mode of governance also allows a clear and embodied responsibility for the management of the Company in a single person, namely the Chairman and CEO, a simplification of the chain of command within the Company and increased responsiveness and efficiency of the General Management.

Mr. Thierry GADOU does not hold other directorships in listed companies outside the Group, including foreign ones.

Responsibilities

The Chairman of the Board of Directors carries out the duties assigned to him by law. His main responsibilities are to:

- convene, chair, organize and direct the work of the Board of Directors;
- ensure that the directors are able to fulfill their duties and ensure that they have the information and documents they need to do so.

The CEO is vested with the broadest powers to act in all circumstances on behalf of the Company. He exercises his powers within the limits of the corporate purpose and subject to the powers granted by law and the Articles of Association to the General Shareholders' Meeting and the Board of Directors.

Limitations placed on the powers of the Chairman and CEO by the Board of Directors

In accordance with the internal rules of the Board of Directors and as an internal measure not binding on third parties, the Board of Directors, acting by a simple majority of its members present or represented, must give its prior authorization to:

- the adoption or modification of the Group's annual budget;
- the annual update or modification of the Group's business plan;
- any commitment or investment (excluding advances on repayments) of more than €10,000,000 made by the Company or one of its subsidiaries, not included in the annual budget;
- any new loan or borrowing, in any form whatsoever (including bonds, credit facilities, leases), and any guarantee or surety, in each case by the Company or any of its subsidiaries, that is not provided for in the annual budget and (i) for which the unit amount is greater than €10,000,000 or (ii) which increases the Group's total indebtedness, guarantees and sureties outstanding by an amount greater than €10,000,000;
- the acquisition or sale by the Company or one of its subsidiaries of a stake in a company for an amount greater than €10,000,000, unless such a transaction is between members of the Group;
- any distribution of dividends, interim dividends, issue premiums or reserves by the Company;
- any merger, spin-off, reorganization, dissolution, liquidation, partial contribution of assets, business lease, sale of business assets or transfer of key assets of the Company or any subsidiary whose revenue has increased represented, during the last fiscal year, more than 5% of the consolidated annual revenue of the Company, unless such a transaction is between members of the Group; and
- the appointment, remuneration or dismissal of an executive corporate officer of the Company.

3.1.1.2 Management team

The Chairman and CEO relies on a Group Executive Committee and an enlarged Management Committee, the Global Management Board.

Group Executive Committee

The Group Executive Committee includes Mr. Thierry GADOU, Mr. Thierry LEMAITRE, Mr. Andréas RÖSSL, Ms. Marianne NOEL, Mr. Pierre DEMOURES, Mr. Sébastien FOURCY, Mr. Philippe BOTTINE, Mr. Michael UNMÜßIG, Mr. Roy HORGAN, Mr. Michael MOOSBURGER, Ms. Pascale DUBREUIL, Mr. Alexis MAU, Mr. Jérôme HAMRIT and Ms. Morgane LE PUIL.

It draws up the strategy and major guidelines as well as the budget decisions submitted to the Board of Directors for approval.

Global Management Board (GMB)

The Global Management Board (or GMB) is made up of around 30 responsible managers:

- regional divisions (Americas, Europe, Asia Pacific);
- brand/product divisions (SES-imagotag, VusionCloud, Captana, Memory, Engage, PDi); as well as
- central departments and support departments (R&D, purchasing and manufacturing, logistics, quality, DAF, human resources, information systems, sustainability, customer service, legal).

They meet regularly to coordinate and discuss the current course of business as well as management priorities for the Group.

Gender Diversity Policy applicable to governing bodies

The Executive Committee comprised three women and 11 men at December 31, 2024, which represents a feminization rate of 28%.

The gender balance policy applied to governing bodies, as well as the objectives of this policy and their implementation methods, are indicated in Section 4.3.3.1.4 and 4.3.2.4.2 of this document.

3.1.2 The Board of Directors

3.1.2.1 Summary presentation of the Board and its committees at December 31, 2024

Summary presentation of the composition of the Board at December 31, 2024

50%	40%	58 years	4	10	90%
independent members	women	average age	nationality	meetings	attendance rate

■ Audit Committee ■ Nomination and Remuneration Committee ■ Strategy and ESG Committee Chairmanship Member of the Board

Summary presentation of the composition of the Committees at December 31, 2024

Audit Committee	Nomination and Remuneration Committee	Strategy and ESG Committee
4 members	**5** members	**5** members
75% independence	**80%** independence	**80%** independence
100% attendance	**100%** attendance	**100%** attendance
6 meetings	**6** meetings	**6** meetings

3.1.2.2 Composition of the Board at December 31, 2024

At December 31, 2024, the Board was composed of ten directors, including five independent directors. The Company therefore complies with the AFEP-MEDEF Code recommendation that the proportion of independent directors be at least half, in companies with dispersed capital and without controlling shareholders. The Board of Directors also includes a non-voting director.

The Board of Directors does not include a director representing the employees or a director representing the employee shareholders, as the Company does not meet the thresholds set by the legal provisions.

Four employees of the Social and Economic Committee are convened and attend Board meetings with access to information identical to that of the directors and in an advisory capacity.

	Age	Gender	Nationality	Number of mandates in listed companies	Independence	Appointment date	Term of office	Years attending the board	Individual Board attendance rate	Skills	Committee: Audit	Committee: Nomination and Remuneration	Committee: Strategy and ESG
Thierry Gadou	58	M		0	-	01/13/2012	General Meeting 2026	12 years and 11 months	100%				
Peter Brabeck-Letmathe	80	M		0	Yes	11/28/2022	General Meeting 2026	2 years and 1 month	100%				
Xiangjun Yao	46	M		0	-	12/20/2017	General Meeting 2027	6 years and 10 months	70%				
Hélène Ploix	80	F		0	Yes	02/06/2018	General Meeting 2026	6 years and 10 months	100%				
Candace Johnson	72	F		1	-	08/31/2012	General Meeting 2026	12 years and 6 months	100%				
Franck Moison	71	M		2	Yes	06/29/2020	General Meeting 2026	4 years and 6 months	100%				
Cenhui He	37	F		0	-	06/02/2020	General Meeting 2026	4 years and 6 months	100%				
Emmanuel Blot	39	M		3	Yes	06/19/2024	General Meeting 2027	6 months	100%				
Kevin Holt	66	M		1	Yes	06/19/2024	General Meeting 2027	6 months	100%				
Rong Huang	41	F		0	-	06/19/2024	General Meeting 2027	6 months	60%				
Jonhson Lee	46	M		1	Non-Voting Director	06/22/2018	Board of Directors post General meeting 2025	6 years and 6 months	50%				

■ Audit Committee ■ Nomination and Remuneration Committee ■ Strategy and ESG Committee Chairmanship Member

Technology Retail/CPG Sustainability Audit & Finance Supply Chain Global & Geopolitics

3.1.2.3 Changes in the composition of the Board of Directors during the 2024 fiscal year

	Appointment/Co-option	Renewal	Departure
Board of Directors	Emmanuel BLOT Kevin HOLT Rong HUANG	Xiangjun YAO	Fangqi YE
Audit Committee	Emmanuel BLOT	Hélène PLOIX (Chairwoman) Cenhui HE Franck MOISON	
Nomination and Remuneration Committee	Emmanuel BLOT (Chairman) Kevin HOLT	Candace JOHNSON Franck MOISON Hélène PLOIX	
Strategy and ESG Committee	Kevin HOLT	Peter BRABECK-LETMATHE (Chairman) Thierry GADOU Franck MOISON Hélène PLOIX	Candace JOHNSON

Ms. Fangqi Ye resigned as a director with effect from May 6, 2024.

The Ordinary General Meeting held on June 19, 2024 appointed Ms. Rong Huang, Mr. Emmanuel Blot and Mr. Kevin Holt as new directors, and renewed the term of office of Mr. Xiangjun Yao as director for a period of three years, i.e., until the Ordinary General Meeting called in 2027 to approve the financial statements for the previous fiscal year.

Ms. Rong Huang is Deputy Chief of the Investment Management Centre of BOE Technology Group Co. She brings her financial expertise to the Board of Directors.

The appointment of Mr. Emmanuel Blot as director was proposed by Bpifrance. He brings to the Board of Directors his knowledge of the governance of companies listed on Euronext and his experience in the financial field.

Emmanuel Blot also brings to the Board of Directors his experience in Environmental, Social and Governance (ESG) issues, as the Lead Director of ESG at Mersen.

Mr. Kevin Holt, a US national, brings to the Board of Directors his extensive expertise in the retail sector in the United States, due in particular to his experience as Chief Executive Officer of Ahold Delhaize USA. He also brings his knowledge of the technology sector having spent several years at Meijer as Vice Chairman of Information Technology and Services.

The Board of Directors, which met on June 19, 2024, following the General Meeting, also appointed Mr. Emmanuel Blot to the Audit Committee and as Chairman of the Nomination and Remuneration Committee and appointed Mr. Kevin Holt to the Nomination and Remuneration Committee and the Strategy and ESG Committee.

The Board of Directors, who met on June 19, 2024, also renewed the term of office of Mr. Johnson Lee as non-voting director for a period of one year.

3.1.2.4 Principles governing the composition of the Board of Directors and the diversity policy applied to the members of the Board of Directors

i) Nomination

The members of the Board of Directors are appointed, renewed or dismissed by the Ordinary General Meeting. They are always eligible for re-election.

However, in the event of vacancies due to the death or resignation of one or more directors, the Board of Directors may, between two General Meetings, make provisional nominations under the conditions provided for by law and subject to ratification at the next General Meeting. A director who is nominated to replace another director shall only exercise their duties for the remainder of their predecessor's term of office.

(ii) Term of office

In accordance with Article 11 of the Articles of Association, directors are appointed for a term of three years. Their duties end at the end of the Ordinary General Meeting called to approve the financial statements for the previous fiscal year and held in the year in which their term of office expires.

The Company has not implemented staggered terms of office for directors. However, in view of the changes that took place within the Board of Directors in 2024 (resignation of Ms. Fangqi YE on May 6, 2024, reappointment of Mr. Xiangjun YAO and appointment of Ms. Rong HUANG, Mr. Emmanuel BLOT and Mr. Kevin HOLT at the Ordinary General Meeting of June 19, 2024), the terms of office of six of the ten directors will expire in 2026 and the terms of office of the other four directors will expire in 2027, which will allow the members of the Board of Directors to be renewed over two fiscal years.

(iii) Age limit of directors

In accordance with Article 11 of the by-laws, the number of directors, who are natural persons and permanent representatives of legal entities, over the age of 70, may not exceed 40% of the directors in office. When this proportion is exceeded, the term of office of the oldest director ends automatically at the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year during which the excess occurred.

(iv) Diversity policy applied to the Board of Directors

In accordance with the legal rules and the recommendations of the AFEP-MEDEF Code, a diversity policy (presented in the table below) is applied to the members of the Board of Directors and the Board of Directors undertakes an annual self-assessment which includes a review of the desirable balance of its composition and that of its committees, particularly in terms of diversity.

At December 31, 2024, the Company's Board of Directors was truly balanced in terms of the representation of men and women, the number of independent members, age of directors, nationalities and skills:

- the male/female ratio ensured gender diversity: four women out of ten members;
- the Board of Directors had five independent members out of ten, the Audit Committee had three out of four, the Nomination and Remuneration Committee had four out of five, as did the Strategy and ESG Committee;
- the members of the Board, including the non-voting director, were between 37 and 80 years old (average age of 58 years);
- four nationalities were represented on the Board of Directors, reflecting the Group's presence in France, China and the United States. This diversity of nationalities allows the Board to consider issues raised from different cultural and geopolitical perspectives (Asian, European and North American);
- the members have varied and complementary skills and professional experience in technology, CPG marketing, finance, supply chains, creating companies or investment funds, managing or directing international groups/ operating units of international groups, holding terms of offices on the Boards of Directors of listed international groups.

The Board of Directors has set the following diversity objectives for 2025:

Criteria	Objectives
Gender	At least 40% of directors of each gender
Independence	At least 60% of members of the Board of Directors At least 2/3 of the Audit Committee More than 50% of the Nomination and Remuneration Committee More than 50% of the Strategy and ESG Committee
Age	Maintain diversity in the age of members
Nationality	Continue to strengthen the presence of foreign nationalities on the Board, reflecting the countries where the Group operates
Skills	Recruit new directors with skills in technology or artificial intelligence, finance and accounting, and international experience

(v) Required qualities of directors

In accordance with the provisions of the Board of Directors' internal rules, the Board and its committees are composed of high-level individuals who are competent and experienced in the life of French and international companies, each with the time and willingness to participate in a meaningful way and with a strong sense of the primacy of the corporate interest, in the development of the activities and performance of the Company and its Group.

In addition to the diversity criteria, the Board of Directors proposes to the General Meeting, in accordance with the provisions of the Board's internal rules, to appoint or renew directors who have the following essential qualities:

- be mindful of the Company's corporate interests;
- have a quality of judgment, in particular of situations, strategies and people, based in particular on their personal experiences;
- be able to anticipate and identify risks and strategic issues;
- be honest, present, active and involved.

With regard to the process for selecting new directors, the Nomination and Remuneration Committee is tasked with making reasoned proposals to the Board of Directors, guided by the interests of the shareholders and the Company and striving to reflect different experiences and points of view, while ensuring a high level of competence, internal and external credibility and stability within the Company's governing bodies. In particular, it takes into account the following criteria: (i) the desirable balance of the composition of the Board of Directors in view of the composition of and changes to the Company's shareholding structure, (ii) the desirable number of independent members, (iii) the proportion of men and women required by the regulations in force, (iv) the opportunity for renewal of mandates and (v) the integrity, competence, experience and independence of each candidate.

(vi) Shareholding by directors

Pursuant to the Board of Directors' internal rules, each director must own at least one hundred Company shares for the entire duration of their term of office and in any event no later than twelve (12) months after their appointment date. This obligation does not apply, where applicable, to directors representing shareholders whose internal rules prohibit the direct holding of shares by their representatives and to directors already indirectly holding a significant number of Company shares. At present BOE does not allow its representatives on the Board of Directors to hold Company shares.

1
2
3
4
5
6
7
8
9

3.1.2.5 Directors' independence

In accordance with the provisions of the AFEP-MEDEF Code, a member of the Board of Directors who has no relationship of any kind whatsoever with the Company, its group or its management that could compromise the exercise of his or her freedom of judgment is independent.

The Board ensures that the proportion of independent members on its Board and on the committees it establishes complies with the provisions of the AFEP-MEDEF Code. Namely, in the absence of a controlling shareholder in the Company, at least half of its members must be independent.

At the time of each renewal or appointment of a member of the Board and at least once a year, the Board assesses the independence of each of its members (or candidates).

During this assessment, the Board, after consulting the Nomination and Remuneration Committee, examines on a case-by-case basis the qualifications of each of its members (or candidates) with regard to the criteria set out below, the specific circumstances and the situation of the interested party in relation to the Company. The conclusions of this review are brought to the attention of the shareholders in this document and, where applicable, to the General Shareholders' Meeting when the members of the Board of Directors are elected.

The assessment of the independence of each member of the Board of Directors takes into account the following criteria:

- not be an employee or executive corporate officer of the Company, an employee, an executive corporate officer or a member of the Board of Directors or Supervisory Board of any consolidating company, or of a company that it consolidates[1], a company that holds a non-majority but significant stake or a sister company, and not having been so in the last five years;
- not be an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee nominated as such or an executive corporate officer of the Company (currently or for less than five years) is a member of the Board of Directors;
- not be a customer, supplier, investment banker, finance banker or significant advisor of the Company or its Group or for which the Company or its Group represents a significant part of the business (nor be directly or indirectly related to such a person);
- not have a close family tie with a corporate officer of the Company;
- not have been a Statutory Auditor of the Company in the last five years;
- not have been a member of the Board of Directors for more than 12 years.

For the members of the Board holding ten percent or more of the share capital or voting rights of the Company, or representing a legal entity holding such a stake, the Board, on the basis of the report of the Nomination and Remuneration Committee, decides on the qualification independence, taking into special account the composition of the Company's share capital and the existence of a potential conflict of interest.

The Board may consider that a member of the Board, although fulfilling the above criteria, should not be qualified as independent in view of his or her particular situation or that of the Company, with regard to his or her shareholding or for any other reason, and vice versa.

Each member qualified as independent shall inform the Chairman, as soon as he/she is aware of it, of any change in his/her personal situation with regard to these same criteria.

The Nomination and Remuneration Committee and then the Board of Directors conducted the annual review of the independence of the directors during their respective meetings on December 11, 2024, and December 12, 2024.

The Nomination and Remuneration Committee sent an independence questionnaire to each director prior to its meeting. The Committee then reviewed the situation of each director.

With regard to Ms. PLOIX, who represented a shareholder investment fund (Pechel Industries) from April 2011, until the withdrawal of this fund from the Company's share capital in December 2017 and who was then appointed as Independent Director from the time of the General Shareholders' Meeting on February 6, 2018, the Board of Directors confirmed her independence with regard to the aforementioned independence criteria, noting her high level of experience and her analytical soundness and relevance which she expressed freely and independently at Board meetings. In particular, the Board of Directors considered that the criterion according to which a director must not have been so for more than 12 years to be qualified as independent, was met by Ms. PLOIX because she has been a director in her own name since 2018. She was previously the permanent representative of a legal entity acting as a director.

Regarding Mr. Peter BRABECK-LETMATHE, at the date of their meeting on December 12, 2024, the Board noted that he held, as of that date, through The Glasshouse SA, which he controls, a stake of approximately 1.8% in the Company and a stake of approximately 11.17% in SESIM (which itself holds approximately 12% of the Company's share capital and voting rights). This represents a total holding in the Company of about 3%.

[1] As meant by Article L.233-16 of the French Commercial Code.

The Board noted that, based on the information provided, the value of Mr. BRABECK-LETMATHE's investment in SESIM and the Company was very limited compared to the overall value of his portfolio and therefore did not affect his independence.

In view of the above, the Board therefore considered, on the recommendation of the Nomination and Remuneration Committee, that Mr. BRABECK-LETMATHE was independent according to the independence criteria set by the AFEP-MEDEF Code.

Regarding Ms. Candace Johnson, the Board considered, at its meeting of December 12, 2024, on the recommendation of the Nomination and Remuneration Committee, that she had lost her status as an independent director during the fiscal year, as her presence on the Board of Directors has exceeded 12 years.

Mr. Emmanuel Blot and Mr. Kevin Holt were appointed directors by the Annual General Meeting of June 19, 2024. The Board considered, on the recommendation of the Nomination and Remuneration Committee, that Mr. Emmanuel Blot and Mr. Kevin Holt met all the criteria to qualify them as independent directors.

It is specified that the significant nature of the business relationship for each director or candidate for these positions is deduced from the examination of the revenue achieved between VusionGroup and each group within which a director (or candidate) holds a corporate office or management position.

This analysis showed that for the 2024 fiscal year, there was no cross revenue in almost all cases and that for the others, the amount was not significant (less than €20 thousand).

At the end of their review, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee considered that five of its members in office at December 31, 2024, met all the independence criteria set out in the AFEP-MEDEF Code (i.e., a proportion of 50% of independent directors).

Therefore, independent members at December 31, 2024 were Ms. PLOIX, Mr. Peter BRABECK-LETMATHE, Mr. Franck MOISON, Mr. Emmanuel BLOT and Mr. Kevin HOLT.

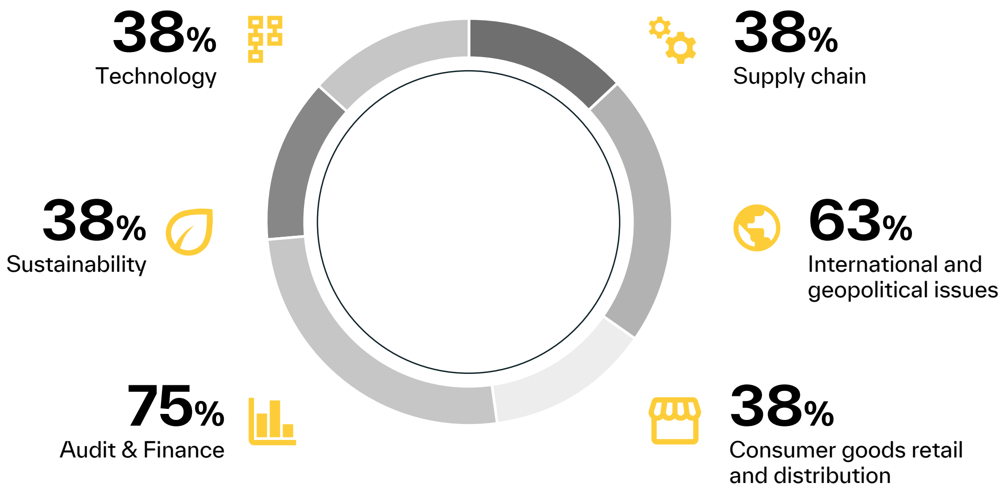
Criteria/Directors	Emmanuel BLOT	Peter BRABECK-LETMATHE	Thierry GADOU	Cenhui HE	Kevin HOLT	Rong HUANG	Candace JOHNSON	Franck MOISON	Hélène PLOIX	Xiangjun YAO
Criteria 1: Employee and executive corporate officer during the last five years	✓	✓	✖	✓	✓	✓	✓	✓	✓	✓
Criteria 2: Cross directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criteria 3: Significant business-related relationships	✓	✓	✓	✖	✓	✖	✓	✓	✓	✖
Criteria 4: Family ties	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criteria 5: Statutory Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criteria 6: Length of directorship greater than 12 years	✓	✓	✖	✓	✓	✓	✖	✓	✓	✓
Criteria 7: Non-executive corporate officer status	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criteria 8: Significant shareholder status	✓	✓	✓	✖	✓	✖	✓	✓	✓	✖
Conclusion	✓	✓	✖	✖	✓	✖	✖	✓	✓	✖

(1) A ✓ indicates that an independence criterion is met and a ✖ indicates that an independence criterion is not met.

3.1.2.6 Directors' experience

Skills mapping

The expertise within the Board of Directors are distributed as follows:



To establish this skills mapping, a questionnaire was sent to the directors, enabling them to describe each skill and mention the corresponding experience. Generic ESG expertise was split into several sub-sections in the questionnaire, each referring to the material issues identified as part of the double materiality assessment carried out in accordance with the new CSRD obligations. The distribution of the directors' ESG responsibilities is presented in Section 4.1.2.1 of this document.

The profile of each member of the Board of Directors present on December 31, 2024 is summarized in the boxes below.

39 years old
French

Appointment date
June 19, 2024

Term of office expiry date
Annual General Meeting 2027

Number of shares
direct holding: 100

Business address:
6/8 boulevard Haussmann, 75009 Paris

Emmanuel BLOT
Independent Director

Skills

Biography
Emmanuel BLOT began his career as a sell-side analyst in the capital goods sector, first at Bryan, Garnier & Co and then at Oddo BHF, covering industrial and aerospace companies. In 2012, he joined the Strategic Investment Fund, part of Bpifrance since 2013, and is currently Director at Bpifrance Investissement, in the Large Cap division, which manages equity investments in excess of €20 million. He focuses on managing investments in listed companies that he has supported since Bpifrance's investment, first by directly participating in Governance (Constellium, Mersen, Quadient) or by supporting Bpifrance representatives on the Board of Directors.

Current appointments and positions

Within the Group:
- Chairman of the Nomination and Remuneration Committee of VusionGroup SA
- Member of the Audit Committee of VusionGroup SA

Outside the Group:
- Director in his own name on the Board of Directors of Constellium SE (listed on the New York Stock Exchange)
- Permanent representative of Bpifrance Participations on the Board of Directors of Mersen SA (listed on Euronext)
- Permanent representative of Bpifrance Investissement on the Board of Directors of Quadient SA (listed on Euronext)

Appointments and positions expired in the last five years
- None

Main activity outside the Company
- Chief Investment Officer
- Head of Listed Investments Practice at Bpifrance Investissement

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

80 years old
Austrian

Appointment date
November 28, 2022

Term of office expiry date
Annual General Meeting 2026

Share ownership
direct holding: 0
indirect holdings through The GlassHouse SA: 3,311,338 SESIM* shares and 289,945 Vusion shares

Business address:
Nestlé SA
Av. Nestlé 55
1800 Vevey

Peter BRABECK-LETMATHE
Vice-Chairman and Lead Director - Independent Director

Skills

Biography

Peter BRABECK-LETMATHE was appointed Chairman Emeritus of Nestlé SA on April 6, 2017, after leading the Group from 1997 to 2017, first as Chief Executive Officer until 2005, then as Chairman and Chief Executive Officer and, since 2008, Chairman of the Board of Directors.

A graduate in Economics from the University of World Trade Vienna, he joined the Nestlé Group in 1968. He spent a significant part of his career in Latin America before being transferred to Nestlé's international headquarters in Vevey as Senior Vice-President. Appointed Executive Vice-President and member of the Board of Directors in 1992, he was in charge of the Strategic Business Units, Marketing and Sales, as well as Corporate Communications.

He has received several awards, including the Austrian Cross of Honor for services rendered to the Republic of Austria, "La Orden Mexicana del Águila Azteca" (Mexico), "La Orden Francisco de Miranda" (Venezuela), and the Schumpeter Prize for his exceptional contribution to disruptive innovation. The University of Alberta (Canada) conferred upon him an honorary Doctorate of Law. And, recently, Mr. BRABECK-LETMATHE was inducted into the Hall of Fame of the American Advertising Federation.

Current appointments and positions

- Chairman of the Strategy and ESG Committee of VusionGroup SA
- Vice-Chairman of the Board of Directors of VusionGroup SA

Outside the Group:

- Chairman of the Geneva Science and Diplomacy Anticipator (GESDA) Foundation
- Chairman of the Biologique Recherche Advisory Committee
- Vice Chairman of the Foundation Board of the World Economic Forum
- Chairman of the Verbier Festival Foundation Board
- Chairman of the International Advisory Board of the San Telmo Business School

Appointments expired in the last five years

- Chairman of the Board and independent director of Formula One Group
- Director on the Boards of Directors of the following groups: Roche, Credit Suisse, L'Oréal, Exxon Mobil Corporation and Salt Mobile SA
- Founder and Chairman of the Board of a public/private partnership, "2030 Water Resources Group", an offshoot of the World Bank

* SESIM, a French holding company owned by the management, employees and certain directors of VusionGroup, holds 10.8% of the share capital and voting rights of VusionGroup SA.

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

37 years old
Chinese

Appointment date
June 29, 2020

Term of office expiry date
Annual General Meeting 2026

Share ownership
0

Business address:
Xihuan Zhong Road
BDA, Beijing, China

Cenhui HE
Director

Skills

Biography
A graduate of Renmin and Beijing universities, Ms. HE joined the BOE group in 2012, where she held several finance positions. She is now manager of the finance department of BOE Innovation Investment Co. Ltd.

Current appointments and positions

Within the Group:
- Member of the Audit Committee of VusionGroup SA

Outside the Group:
- Director of BOE Smart Retail (Hong Kong)

Appointments expired in the last five years

None.

Main activity outside the Company
Director of the Finance Department of BOE Innovation Investment Co. Ltd.

66 years old
American

Appointment date
June 19, 2024

Term of office expiry date
Annual General Meeting 2027

Number of shares
0

Business address:
55 place Nelson Mandela,
92000 Nanterre

Kevin HOLT
Independent Director

Skills

Biography
Kevin HOLT began his career in the technology sector in 1982 at NCR Corporation, in the sales and marketing divisions. He joined the distribution sector in 1993 and held various management positions within the Meijer and Supervalu groups. From 2014 to 2016, he held the positions of Executive Vice Chairman of Delhaize Group and Chief Executive Officer of Delhaize America. From 2016 to 2023, he held the positions of Chief Operating Officer and then Chief Executive Officer of Ahold Delhaize USA and was a member of the Executive Committee of Ahold Delhaize Group. Kevin Holt is a graduate of Ferris State University with a degree in Business Economics.

Current appointments and positions

Within the Group:
- Member of the Nomination and Remuneration Committee of VusionGroup AG
- Member of the Strategy and ESG Committee of VusionGroup SA

Outside the Group:
- Director of Loblaw Companies Limited (Canada) (listed on Toronto Stock Exchange)

Appointments and positions expired in the last five years
- Executive Director at Delhaize America Inc.
- Executive Director of Koninklijke Ahold Delhaize NV

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

42 years old
Chinese

Appointment date
June 19, 2024

Term of office expiry date
Annual General Meeting 2027

Number of shares
0

Business address:
No.12 Xihuanzhong Rd, BDA, Chine

Rong HUANG
Independent Director

Skills

Biography
Ms. HUANG was Secretary of the Board of Directors and Chief of Staff to the Chairman of BioChain (Beijing) Technology Co., Ltd from December 2020 to February 2024. Previously, she worked at BOE Technology Group Co., Ltd. in the office of the Secretary of the Board of Directors and in the office of the Secretary of Major Projects at management levels. Ms. HUANG is a graduate of the Capital University of Economics and Business with a master's degree in accounting. She is currently Deputy Head of the Investment Management Center of BOE Technology Group Co., Ltd.

Current appointments and positions

Outside the Group:
- Director of BOE Smart Retail (Hong Kong) Co. Ltd
- Director of BOE EWIN Technology Co., Ltd
- Director of Beijing BOE Vacuum Technology Co., Ltd
- Director of Beijing BOE Songcai Cretive Co., Ltd
- Director of BNJ Technology Co., Ltd

Appointments and positions expired in the last five years
None

Main activity outside the Company
None

Technology Retail/CPG Sustainability Audit & Finance Supply Chain Global & Geopolitics

72 years old
American

Appointment date
August 31, 2012

Term of office expiry date
Annual General Meeting 2026

Share ownership
direct holding: 0
indirect holding:
15,417 SESIM* shares

Business address:
4A Konsdreferstroos
L-6230 Bech
Luxembourg

Candace JOHNSON
Independent Director

Skills

Biography

Candace JOHNSON is a world-renowned entrepreneur and venture capitalist in infrastructure, space, networks and innovation. She is the founder/co-founder of the biggest network of satellite systems in the world, SES (Société Européenne des Satellites), Loral-Teleport Europe, Europe Online and Oceania Women's Network Satellite (OWNSAT). Ms. Johnson is also founding Chairwoman of VATM, the Association of Private Telecom Operators in Germany and founding Chairwoman of the Global Telecom Women's Network (GTWN). In 2012, she was part of a group of committed women who created the Global Board Ready Women (GBRW) initiative. After chairing EBAN (European Business Angels Network) for four years, during which time she had the honor of helping to found ABAN (African Business Angels Network) and Rising Tide Europe, she became its Chair Emeritus. She was decorated by the Luxembourg government with the Commander of the Order of Merit and the Officer of the Oak Leaf Crown and awarded Officer of the Federal Order of Merit by the German government. Ms. Johnson has received numerous Lifetime Achievement awards for her work from such prestigious organizations as the World Communication Awards, Women in Aerospace and the International Women's Alliance. She holds an honorary doctorate from the Polytechnic University of Hong Kong, an MA with distinction from the Sorbonne and Stanford, and an undergraduate degree from Vassar College

Current appointments and positions

Within the Group:
- Member of the Nomination and Remuneration Committee of VusionGroup SA

Outside the Group:
- NorthStar Earth and Space, Montreal Canada, Founding Vice Chair and Member of the Board of Directors
- Seraphim Space Ltd, UK, Chair of the Advisory Board and Member of the Investment Advisory Committee (company listed on the London Stock Exchange)
- OWNSAT Oceania Women's Network Satellite, Singapore, Director
- International Chamber of Commerce (ICC), Director and Vice Chairwoman of the Policy Commission
- Honorary Vice-Chairwoman of the EuropIA Institute

Appointments expired in the last five years

- EDHEC, Director

Main activity outside the Company

Expert in digital transformation (satellite systems, telecommunication and data networks, AI, Quantum, Robotics, Cyber Security)

* SESIM, a French holding company owned by the management, employees and certain directors of VusionGroup, holds 10.8% of the share capital and voting rights of VusionGroup SA.

Technology Retail/CPG Sustainability Audit & Finance Supply Chain Global & Geopolitics

71 years old
French

Appointment date
June 29, 2020

Term of office expiry date
General Meeting 2026

Share ownership
direct holding:
4,948
indirect holding:
192,678 SESIM* shares

Business address:
55 Place Nelson Mandela,
92000 Nanterre

Franck MOISON
Independent Director

Skills

Biography

Franck MOISON is the former Vice-Chairman of the Colgate Palmolive Group (New York, 2016-2019).
Mr. MOISON joined Colgate France in 1978 and has progressed through various international sales roles. After serving as Chief Executive Officer in France and Italy, he was promoted to Chairman of Central Europe and Russia, then Chairman of Western Europe and South Pacific. In 2007, he was appointed Global Chairman of Marketing, R&D and Supply Chain in New York. In 2010, he was appointed Chief Operating Officer of Emerging Markets.
He is a graduate of EDHEC, holds an MBA from the University of Michigan and he completed the executive education at the Stanford Graduate School of Business.

Current appointments and positions

Within the Group:
- Member of the Strategy and CSR Committee of VusionGroup SA
- Member of the Nomination and Remuneration Committee of VusionGroup
- Member of the Audit Committee of VusionGroup SA

Outside the Group:
- Member of the Board of Directors of:
  - UPS (New York Stock Exchange)
  - Hanes Brands (listed on the New York Stock Exchange), Winston Salem United States
- Chairman of the EDHEC Business School Advisory Committee
- Georgetown School of Business, United States

Appointments expired in the last five years

- SomaLogic, Boulder USA: member of the Board of Directors and Chairman of the Remuneration Committee

* SESIM, a French holding company owned by the management, employees, and certain directors of VusionGroup, holds 10.8% of VusionGroup SA's share capital and voting rights.

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

1
2
3
4
5
6
7
8
9

80 years old
French

Appointment date
February 6, 2018

Term of office expiry date
Annual General Meeting 2026

Share ownership
direct holding:
5,000 shares
indirect holding:
200,798 SESIM* shares

Business address:
42 quai des Orfèvres
75001 Paris

Hélène PLOIX
Independent Director

Skills

Biography
Until the end of December 2021, Hélène PLOIX was a partner of Pechel Industries Partenaires, a private equity fund that she created in 2004 and Chair of Pechel Industries a holding company. Formerly, she was Deputy Chief Executive Officer of Caisse des Dépôts et Consignations and, as such, Chair of CDC Participations. Previously, she served as executive director of the International Monetary Fund and of the World Bank; as special advisor to French Prime Minister Laurent Fabius and as Chair of Banque Industrielle et Mobilière Privée (BIMP). Ms. PLOIX was Chair of the Board of Fidelity Emerging Markets Fund Ltd. until the end of December 2022, Director of Ferring Pharmaceuticals (unlisted, Switzerland) and Chair of its Audit Committee until June 30, 2023, and Chair of Sogama Crédit Associatif (unlisted financial institution) until May 2024. She remains a Director. She is a Director of Thermcross and Nexdot (unlisted companies). She is a member of the Académie des Technologies. She holds an MBA from INSEAD, a master's degree in public administration from the University of California at Berkeley (USA), and the diploma from the Institut d'études politiques de Paris, in France. She is also an Officer of the Legion of Honor and an Officer of the National Order of Merit.

Current appointments and positions

Within the Group:
- Chairwoman of the Audit Committee of VusionGroup SA
- Member of the Nomination and Remuneration Committee of VusionGroup SA
- Member of the Strategy and ESG Committee of VusionGroup SA

Outside the Group:
- Sogama Crédit associatif, France, Director
- Thermcross, Director
- Nexdot, Director
- Helene Ploix Sarl, Manager

Appointments expired in the last five years
- Chairwoman of the Board of Pechel Industries;
- Chairwoman of the Board and partner at Pechel Industries Partenaires.
- Fidelity Emerging Markets Fund Ltd. (LSE listed company) Chairwoman of the Board until December 2022
- Ferring Pharmaceuticals SA, Switzerland, Director and Chairwoman of the Audit Committee until June 30, 2023
- Chairwoman of the Board of Sogama Crédit Associatif until May 2024

Main activity outside the Company
Monitoring of the companies of which she is a Director
Mentoring of entrepreneurs

* SESIM, a French holding company owned by the management, employees and certain directors of VusionGroup, holds 10.8% of the share capital and voting rights of VusionGroup SA.

Technology Retail/CPG Sustainability Audit & Finance Supply Chain Global & Geopolitics

48 years old
Chinese

Appointment date
December 21, 2017

Term of office expiry date
Annual General Meeting 2027

Share ownership
0

Business address:
No. 12, Xihuan Middle Road, Beijing Economic and Technological Development Zone, Beijing, China

Xiangjun YAO
Director

Skills

Biography
YAO Xiangjun holds a master's degree in management and is a certified public accountant in China. He joined BOE Technology Group in 2001 and has held several key management positions, including Director of Investor Relations, Deputy Chief Financial Officer, Chief Strategy Officer and Chief Executive Officer of the Smart Business Group. He is currently serving as Executive Vice Chairman of BOE Technology Group. He was notably Chairman of the Board of Directors of BOE Ewin Technology Co., Ltd., Chairman of BOE Smart Retail (Hong Kong) Co. and Chairman of the H.629.1 Digital Art Display International Standard Industry Alliance.
Mr. YAO was pivotal in the evolution of BOE from a semiconductor display start-up to a global industry leader. He has spearheaded strategic expansion in IoT innovation areas such as smart manufacturing, connected vehicles, retail technology and energy solutions. Under his leadership, BOE Ewin Technology achieved breakthroughs in integrating signage technologies with cultural tourism, education and eye health initiatives.

Current appointments and positions

- **Outside the Group:**
- Executive Vice Chairman of BOE Technology Group Co., Ltd (BOE)
- Chairman of BOE Ewin Technology Co. Ltd (Ewin)
- Chairman of BOE Smart Retail (Hong Kong) Co

Appointments expired in the last five years

- Chairman and Chief Executive Officer of AIP BG, BOE Technology Group Co., Ltd (BOE)

Director whose term of office expired in 2024

54 years old
Chinese

Appointment date
February 6, 2018

Term of office expiry date
May 6, 2024

Share ownership
0

Fangqi YE
Director until 05/06/2024

Skill

Biography
Ms. YE has more than 25 years of experience in the management of investment projects and in the audit field. She is currently Deputy Director of Investments at BOE Technology Group Co., Ltd.

Current appointments and positions

- BOE Smart Retail (HK) Co, Ltd, Director;
- BOE Yiyun Technology Co, Ltd, Director;
- Yunnan Invensight Optoelectronics Technology Co, Ltd, Director;
- BNJ Technology Co, Ltd, Director;
- Beijing BOE Songcaichuangxin Co, Ltd, Director.

Appointments expired in the last five years

- Vice Chairwoman of BOE Technology Group Co, Ltd

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

3.1.2.7 Non-voting directors

In accordance with the Company's Articles of Association, the Board of Directors may appoint one or more non-voting directors, who perform a general and permanent mission to assist the Board of Directors. Non-voting members may take part in Board meetings as observers in an advisory capacity. As part of their duties, they may present the observations they deem necessary to the Board of Directors.

Their term of office is set by the Board of Directors and may not exceed three years. Non-voting members are always eligible for re-election. The Board of Directors may, at any time, terminate their term of office without having to justify themselves.

Within the context of the strategic partnership with E Ink and its acquisition of a stake in the share capital of E Ink, a non-voting director was appointed on the proposal of E Ink.

The Board of Directors meeting of June 22, 2018, named Mr. Johnson Lee, Chairman of E Ink, as a non-voting director on the Board of Directors for three years. More recently, on June 19, 2024, the Board of Directors renewed the term of office of Mr. Johnson Lee as a non-voting director for one year. The renewal of his term of office will be proposed to the Board of Directors to be held at the end of the Ordinary General Meeting in 2025.

46 years old
Chinese

Appointment date
June 29, 2018

Term of office expiry date
Annual General Meeting 2025

Direct shareholding
0

Business address:
N° 3, Lixing 1st Rd,
Hsinchu Science Park,
Hsinchu 300, Taiwan

Johnson LEE
Non-Voting Director

Skills

Biography
Johnson LEE is currently Chairman and CEO of E Ink Holdings Inc. Mr. LEE joined the company in 2006 when it entered the electronic paper industry through the acquisition of the e-Paper business from Philips. He was initially the Director of Research and Development and held various positions within the organization, including the development of the e-paper business, until his appointment as Chairman and Chief Executive Officer in December 2019. Mr. LEE has also been Chairman of Transcend Optronics, the e-Paper module manufacturing arm of E Ink, since 2010. In addition, Mr. LEE has served as Chairman of Hydis Technology since 2012 and has led Hydis throughout the transition from an LCD screen manufacturing company to a commercial model based on licenses.

Current appointments and positions

- E Ink Holdings Inc., Chairman of the Board of Directors. E Ink Corp. (MA, United States), Chairman of the Board of Directors
- Parties related to EIH, Chairman and Director
- FoongTone Technology, Director
- Integrated Solutions Technology Inc., Director

Appointments expired in the last five years

- Zhengqi Investment Co, Ltd, Chairman of the Board
- Netronix Inc. (listed), Director
- BoardTeck Electronics Corp. (listed), Director
- Shin Lung Natural Gas Co, Director
- Yi Long Gas Ltd, Director
- SigmaSense LLc, non-voting member of the Board of Directors.

Main activity outside the Company

- E-paper Industry Alliance (EPIA), founding member and interim Chairman

Technology | Retail/CPG | Sustainability | Audit & Finance | Supply Chain | Global & Geopolitics

3.1.2.8 Missions of the Board of Directors

The Board performs the duties and exercises the powers conferred on it by law, the Company's Articles of Association and the internal rules. In particular, the Board of Directors determines the Company's business strategies and ensures their implementation, in accordance with its corporate interest, taking into account the social and environmental challenges of its business. Subject to the powers expressly granted to Shareholders' Meetings and within the limits of the corporate purpose, it deals with any issue affecting the smooth running of the Company and settles the matters that concern it through its deliberations. The Board of Directors carries out the controls and verifications it deems appropriate.

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors acts in the corporate interest of the Company at all times and strives to promote the creation of long-term value by considering the social and environmental challenges of its activities.

The Board's primary responsibility is to define, on the proposal of General Management, the group's strategic guidelines. On the proposal of General Management, it determines the group's multi-year strategic guidelines in terms of social and environmental responsibility.

The Board is informed about market developments, the competitive environment and the main challenges facing the Company, including in the area of social and environmental responsibility (ESG). It regularly examines, in line with the strategy it has defined, the opportunities and risks (financial, legal, operational, social and environmental), and the measures taken as a result. To this end, it receives all the information necessary to perform its duties.

The Board also performs the following duties:

- it appoints and dismisses the executive corporate officers and sets their remuneration under the conditions provided for by law;
- it chooses its organizational and governance methods;
- it controls management; and
- it ensures the quality of the information provided to shareholders and the markets.

Lastly, in accordance with the Board's internal rules and as an internal measure, certain decisions require the prior approval of the Board of Directors (see section 3.1.1.1 above).

3.1.2.9 The Vice-Chairman and Lead Director

Nomination

The Board of Directors is particularly vigilant with regard to the balance of powers. In this perspective, the Company's internal rules provide that the Board of Directors, on the proposal of the Nomination and Remuneration Committee, may appoint a Vice-Chairman and Lead Director from among its natural person members other than the Chairman. It is specified that the internal rules provide that the functions of Vice-Chairman and Lead Director must be carried out by one and the same person.

In the event of a combination of the functions of Chairman of the Board of Directors and Chief Executive Officer, the Board of Directors is required to appoint a Vice-Chairman and Lead Director.

The term of office of the Vice-Chairman and Lead Director is equal to his term of office as Director.

The Vice-Chairman and Lead Director may be re-elected. The Board may dismiss him or her at any time.

The position of Vice-Chairman and Lead Director is performed by an independent director.

At its meeting of December 13, 2023, the Board of Directors appointed Mr. Peter BRABECK-LETMATHE as Vice-Chairman and Lead Director for the duration of his term of office as Director, i.e., until the Ordinary General Meeting to be held in 2026 to approve the financial statements for the previous fiscal year.

Responsibilities

The Vice-Chairman and Lead Director is called upon to replace the Chairman:

- in the event of temporary incapacity, for the duration of the incapacity;
- in the event of death, until the election of the new Chairman.

More generally, the Vice-Chairman and Lead Director chairs the meetings of the Board of Directors in the absence of the Chairman.

The Vice-Chairman and Lead Director shall:

- ensure, in coordination with the Chairman, the Board of Directors' ongoing commitment and implementation of the best corporate governance standards;
- ensure that the directors respect their duty of independence. If this duty is not respected by one of the members of the Board, the Vice-Chairman and Lead Director should draw the Board's attention to this failure;
- in coordination with the Chairman, take note of the questions, comments and suggestions made by shareholders not represented on the Board of Directors on corporate governance issues and ensure that they are answered. He makes himself available to communicate with them, in coordination with the Chairman, and keeps the Board of Directors informed of these contacts;
- in coordination with the Chairman, oversee the management of relations between the Board of Directors and the Company's shareholders, in particular on corporate governance issues;
- prevent and manage, in coordination with the Chairman, conflicts of interest in order to (i) collect declarations of conflicts of interest from the directors, (ii) inform the Board of Directors of any potential conflict of interest that has been brought to its attention by a director, (iii) ensure that the director does not attend the discussion and does not take part in the vote of the deliberation, or does not participate in the deliberation of the Board of Directors for which he/she has a potential conflict of interest, (iv) ensure, in conjunction with the Secretary of the Board, that information and documents relating to the conflicting subject are not sent to the director who has a potential conflict of interest, or, in the absence of a declaration of conflict of interest, to the director for whom there are serious grounds to believe that he/she has a potential conflict of interest, and (v) inform the Board of Directors of this lack of transmission.

The Vice-Chairman and Lead Director may meet, in coordination with the Chairman, with the main executives and managers of the Company and its subsidiaries, and has access to all the documents and information that he or she deems necessary for his or her duties.

1 2 3 4 5 6 7 8 9

3.1.2.10 Organization of Board of Directors meetings

The Board of Directors has adopted internal rules governing its operation, which were last updated on June 19, 2024. Some of the provisions of these internal rules are reproduced in this report.

In accordance with Article 11-2 of the Company's Articles of Association, the Board of Directors is convened by the Chairman by all means, at least five days in advance. In the event of an emergency, the notice of meeting must be delivered no later than the day before the meeting, by all means. In any event, the notice of meeting may be verbal and without delay if all Board members agree and are present or represented.

In accordance with Article 11-3 of the Company's Articles of Association, any director can participate and vote at meetings of the Board of Directors by videoconference and by any other means of telecommunication and teletransmission. The method chosen must enable his or her identification and guarantee his or her effective participation under the conditions provided for by the regulations in force and in accordance with the terms and conditions provided for in the Board of Directors' internal rules.

Any director unable to attend a Board meeting may give a written mandate to another director to represent him or her under the conditions provided for by law and regulations.

The presence of at least half of the members of the Board is required for the deliberations to be valid.

In accordance with the provisions of Article 11.4 of the Company's Articles of Association, decisions are taken by a majority vote of the members present or represented. In the event of a tie, the Chairman of the meeting has the casting vote, except in the case of a proposal to appoint the Chairman of the Board of Directors.

The Board regularly hears from the Statutory Auditors. It also hears and deliberates on the reports on the work of the three standing committees of the Board of Directors: the Audit Committee, the Nomination and Remuneration Committee and the Strategy and ESG Committee.

The Statutory Auditors are invited to all meetings to examine or approve the annual or half-year financial statements.

The Chairman of the Board chairs the Board of Directors' meetings.

The Board of Directors may make decisions by written consultation of the directors in accordance with legal and regulatory provisions. The written consultation of the directors may be carried out by email. The decisions thus taken are the subject of minutes kept under the same conditions as the other decisions of the Board of Directors.

3.1.2.11 Directors' information

Upon their nomination, each member of the Board may receive additional training on the specificities of the Company and the companies it controls, their business lines and their sector of activity.

During Board meetings, the directors receive, in due time except in an emergency, all the documents and information necessary for the performance of their duties. Any member of the Board who has not been able to deliberate in full knowledge of the facts has a duty to inform the Board of Directors and to request the information essential to the performance of his or her duties.

The Board may interview the Company's main executives, who may be required to attend Board meetings, with the exception of Board meetings or deliberations devoted to the presentation of the work of the Nomination and Remuneration Committee on their remuneration and the Board's setting of this remuneration.

The Board and the Committees may also hear experts in the fields falling within their respective areas of expertise.

Outside of meetings, the directors regularly receive all important information about the Company.

3.1.2.12 Activity of the Board of Directors in 2024

During the 2024 fiscal year, the Company's Board of Directors held 10 meetings.
During the fiscal year, the Board of Directors met to discuss the following topics:

Financial information, budget and financial commitments	• approval of press releases • review and approval of the financial statements and interim financial statements • preparation of the management report • proposal for the allocation of profit for the period and approval of the dividend distribution policy • implementation of the share buyback program and approval of a specific share buyback program in 2024 • approval of performance criteria for performance share plans (free shares) and resulting capital increases • presentation of half-year and annual results and the 2025 budget • drafting of management planning documents • review and approval of sureties and guarantees granted by the Company
Risk review	• review of risk factors and section 2 of the Universal Registration Document
Compensation	• implementation of a performance shares plan and related performance criteria • fixing the compensation of Mr. Thierry GADOU • breakdown of compensation paid to independent directors
Governance	• approval of the minutes of the various Boards • convening of general meetings and setting of the agenda and draft resolutions to be presented to the meetings • proposal of the appointment of two additional independent directors and appointment to the committees • report on the Board's self-assessment and review of the independence of directors • approval of the internal rules of the Board of Directors and its committees • annual assessment of regulated agreements • authorization of new regulated agreements • annual review of the current agreements entered into under normal conditions • approval of the corporate governance report and the Universal Registration Document
ESG	• approval of the statement of non-financial performance (section 4 of the Universal Registration Document) and the Company's climate strategy • review of the Company's climate strategy, presented to the General Meeting of June 19, 2024

Meeting of the Board of Directors without the presence of the Chairman and Chief Executive Officer

The Board of Directors made decisions in the absence of the Chairman and Chief Executive Officer, in particular decisions relating to his remuneration. These meetings ensured independence and a balance of powers within the Company.

3.1.2.13 The Board's assessment

The assessment of the operation of the Board, the various committees, and their respective members is launched once a year by means of a questionnaire sent to the directors by the Chairman of the Nomination and Remuneration Committee. A formal assessment is carried out at least every three years, in accordance with the AFEP-MEDEF Code. It may be carried out under the direction of the Nomination and Remuneration Committee with the help of an external consultant.

In 2023, a questionnaire was sent to all Board members. The achievements accomplished in 2024 following this assessment, were as follows:

- Recruitment in 2024 of two new independent directors, having made it possible to (i) strengthen the expertise of the Board in retail, finance and ESG, as well as its knowledge of the US market and (ii) bring down the average age of the Board to 58 (compared to 61 at December 31, 2023),
- More time dedicated to the Board's strategic reflection with six meetings of the Strategy and ESG Committee in 2024,
- More interventions by key managers at Board meetings for the presentation of topics, beyond just the Chairman and Chief Executive Officer and his Deputy Chief Executive Officers,
- Launch in 2024 of a formal assessment of the Board and its committees by an independent external consultant.

In 2024, the Board of Directors and its committees were subject to an external assessment, which was supervised by the Chairman of the Nomination and Remuneration Committee. The assessment was carried out by Sodali & Co, selected following a competitive process conducted by the Nomination and Remuneration Committee. Sodali has no ties with the Company or the directors.

The assessment consisted of a review of documents relating to the Company and its Board, questionnaires to directors and confidential individual interviews held in October 2024.

The assessment aimed to examine the functioning of the Board and its committees during the past fiscal year to ensure that important issues are properly prepared and discussed and to propose areas for improvement. The results of the assessment, as well as the proposed areas for improvement, were shared with the Chairman of the Nomination and Remuneration Committee in January 2025, then presented and discussed at the meeting of the Board of Directors in February 2025.

During this assessment, the directors showed great availability and active commitment, and praised:

- Good management of the arrival of new independent directors, with a much-appreciated induction program,
- The composition of the Board of Directors, which reflects a strong mix of expertise, institutional knowledge and alignment with the Group's values and strategy, while its size allows for effective discussions and exchanges,
- The improvement of the Board's oversight of internal controls and its approach to risk governance, which reflects the improvements made to the management team and operational processes,
- Productive and constructive working relations between the Chairman and the members of the Board of Directors, as well as a good level of trust between him and the members of the Board of Directors,
- the improvement of the quality of strategic discussions and contributions made by the Strategy and ESG Committee.

The areas for improvement mentioned by the directors were as follows:

- Strengthen reporting to the Board of Directors on the work of the committees,
- Strengthen experience in technology and innovation and continue to strengthen the Board's experience in financial matters in order to anticipate the replacement of the Chairwoman of the Audit Committee, as well as knowledge of some of its international markets,
- Improve involvement of the Board of Directors in strategic human resources issues, in particular regarding remuneration policies, performance and succession plans for key employees,
- Organize sufficiently long and in-depth sessions to address geopolitical, technological and other important developments, as well as their strategic implications,
- Institutionalize, at each Board meeting, of sessions without the presence of the Chairman and Chief Executive Officer and management, chaired by the Lead Independent Director,
- Clarify the role of the International Advisory Board (IAB), so that it no longer includes directors, but becomes a community of experts responsible for providing input into the strategic thinking of management and the Board.

3.1.3 Board committees

The Board of Directors relies on the work of three committees whose role is to provide input to directors' discussions and issue recommendations prior to the Board of Directors making decisions:

- the Audit Committee;
- Nomination and Remuneration Committee;
- Strategy and ESG Committee.

Each committee is governed by its own internal rules, which are appended to the internal rules of the Board of Directors.

Joint meetings or working sessions may be organized by the Board of Directors between the various Board committees on cross-functional topics, particularly in terms of social, societal, environmental and climate responsibility.

1 2 3 4 5 6 7 8 9

3.1.3.1 Composition and duties of the Strategy and ESG Committee

The Strategy and ESG Committee, created on December 13, 2023, is in charge of examining the Group's overall strategy and monitoring the inclusion of social and environmental responsibility issues in the definition of the Group's strategy and its implementation.

The governance method for sustainability issues is described in section 4.1.2 of this report.

I. Composition

Strategy and ESG Committee

80% independence rate

5 members

20% women

6 meetings in 2024

Composition

Mr. Peter BRABECK-LETMATHE
Chairman

Mr. Thierry GADOU
Member

Mr. Franck MOISON
Member

Ms. Hélène PLOIX
Member

Mr. Kevin HOLT
Member

In accordance with the provisions of its internal rules, more than half of the Strategy and ESG Committee is composed of independent members of the Board of Directors.

The Chairman of the Strategy and ESG Committee is appointed from among the independent members of the Board of Directors.

The term of office of the members of the Committee coincides with that of their term of office as director.

At December 31, 2024, this Committee was composed of five members of the Board of Directors, including four independent members:

- Chairman: Mr. Peter BRABECK-LETMATHE (Independent Director);
- Mr. Thierry GADOU (Director and Chairman and CEO);
- Mr. Franck MOISON (Independent Director);
- Ms. Hélène PLOIX (Independent Director);
- Mr. Kevin HOLT (Independent Director).

II. Missions

The Strategy and ESG Committee monitors the Group's overall strategy as well as the Group's societal, environmental and climate-related projects, including the preparation of the Board of Directors' decisions on environmental, social and climate-related issues. The Strategy and ESG Committee ensures that the Group meets the social and environmental challenges related to its activity in the most appropriate way possible.

The Strategy and ESG Committee's missions are as follows:

Strategy	• Reviewing the Group's medium- and long-term strategy and its implementation, including action plans and monitoring, through clearly defined key performance indicators.
ESG	• Examining and assessing the relevance of the Group's commitments and strategic guidelines in terms of social, environmental and climate issues, with regard to the challenges specific to its business and its objectives, and monitoring their implementation. • Ensuring that social and environmental responsibility issues (such as policies of equal rights and compliance and ethics policies) are taken into account in the Group's strategy and its implementation, particularly in terms of climate strategy. • Examining the opinions issued by investors, analysts and other third parties and, where applicable, the potential action plan drawn up by the Company to improve the social and environmental issues raised.
Financial and non-financial information	• Examining the sustainability report. • Ensuring the preparation of non-financial information in compliance with regulatory and legal requirements, and reviewing the non-financial communication policy.

The Strategy and ESG Committee regularly reports on the performance of its duties to the Board of Directors and immediately informs it of any difficulties encountered. It may formulate any opinions or recommendations to the Board of Directors in the areas corresponding to the duties described above.

III. Operation

The Strategy and ESG Committee may validly deliberate either in meetings or by telephone or videoconference, under the same conditions as the Board, when convened by its Chairman or the Secretary of the Strategy and ESG Committee, provided that at least half of the members take part in its work.

Notices of meeting must include an agenda and may be sent verbally or by any other means.

The Chairman of the Strategy and ESG Committee chairs its meetings.

The Committee makes its decisions by a simple majority of the members attending the meeting, each member having one vote.

The Committee meets as often as necessary and, in any event, at least once a year.

Joint meetings or working sessions may be organized by the Board of Directors between the various Board committees on cross-functional topics, particularly in terms of social, environmental and climate responsibility. In particular, the Strategy and ESG Committee and the Audit Committee may work together to monitor the preparation of the Group's non-financial information. The Strategy and ESG Committee and the Nomination and Remuneration Committee may be required to work jointly on the assessment of the non-financial performance criteria of the variable remuneration of the Group's executive corporate officers.

The Secretary of the Strategy and ESG Committee prepares minutes of each Strategy and ESG Committee meeting, which are communicated to its members.

The term of office of the members of the Strategy and ESG Committee coincides with their term of office as members of the Board of Directors. It may be renewed at the same time as the latter.

IV. Activity of the Strategy and ESG Committee in 2024

This Committee met six times during the 2024 fiscal year.
It carried out the required work in terms of ESG and dealt with the following topics:

- Business news
- Related party agreements
- Preparation of the General Meeting

- Review of the ESG report
- Review of the first quarter press release
- Strategic scenarios
- Organization of the Annual General Shareholders' Meeting

- Information on the update of the Code of Ethics
- Amendment of the Board's internal rules
- Organization of the Annual General Meeting

- Business review and outlook for the first half of the year
- Roadmap for positive retail
- Litigation update

- Geopolitical issues and risk assessment
- CSRD update

- Budget 2025: Strategic focus
- R&D budget
- VAS 2025 strategy
- Supply Chain

3.1.3.2 Composition and missions of the Audit Committee

I. Composition

Audit Committee

75% independence rate	**100%** attendance rate	**50%** women	**6** meetings in 2024

Composition

Ms. Hélène PLOIX
Chairwoman

Mr. Franck MOISON
Member

Ms. Cenhui HE
Member

Mr. Emmanuel BLOT
Member

In accordance with the recommendations of the AFEP-MEDEF Code, the Audit Committee is composed of at least two-thirds independent directors and does not include any executive corporate officers.

The members of the Committee must have specific financial and/or accounting expertise.

The term of office of the members of the Audit Committee coincides with that of their term of office as director.

At December 31, 2024, the Audit Committee was composed of four members of the Board of Directors, including three independent members:

- Chairwoman: Ms. Hélène PLOIX (Independent Director);
- Mr. Franck MOISON (Independent Director);
- Ms. Cenhui HE (Director);
- Mr. Emmanuel BLOT (Independent Director).

This composition therefore meets the above-mentioned recommendations.

II. Missions

The Audit Committee is responsible for monitoring issues relating to the preparation and control of accounting, financial and non-financial information.

The responsibilities the Audit Committee are as follows:

Financial and non-financial information	• Monitoring the process of preparing financial and non-financial information and its communication. • Reviewing, prior to their presentation to the Board of Directors, the annual or half-yearly and, where applicable, quarterly consolidated and separate financial statements, and ensuring the relevance and consistency of the accounting methods used to prepare these financial statements. • Reviewing significant transactions that could potentially lead to a conflict of interest. • Reviewing provisions and their adjustments and any situation that could generate a significant risk for the Group, as well as any financial information or any half-yearly or annual report on the progress of the Company's business, or prepared on the occasion of a specific transaction (contribution, merger, market transaction, etc.).
Budget and business plan	• Reviewing the Company's annual budget and medium-term business plan presented by the Chairman and CEO, as well as any changes thereto.
Internal control and risk management policy and internal audit	• Ensuring the relevance, reliability and implementation of the Company's internal control, identification, hedging and risk management procedures relating to its activities and financial and non-financial accounting information. • Reviewing the risks, including those of a social and environmental nature, and the significant off-balance sheet commitments of the Company and its subsidiaries. • Hearing from the heads of risk control and internal audit, and regularly reviewing the Group's risk mapping. • Giving its opinion on the organization of the risk control and internal audit departments, and approving their work program; these departments must also report on their annual work to the Committee. • Being informed by the General Management or any other means of any internal information revealing criticism of accounting documents or internal control procedures. Ensuring the existence, effectiveness, deployment and implementation of corrective actions in the event of significant weaknesses or anomalies identified in the internal control and risk management systems. • Ensuring the quality of procedures to ensure compliance with stock market regulations, in particular with regard to the prevention of insider trading and with regard to the periods during which the members of the Board of Directors are required to refrain from carrying out any trading in the Company's shares (blackout periods).
Monitoring the work of the Statutory Auditors	• Obtaining information and following up with the Company's Statutory Auditors (including without the presence of the executive corporate officers), the execution of statutory auditing missions and certification of sustainability information, in particular their general work program, any difficulties encountered in the performance of their duties and any changes that they believe should be made to the Company's financial statements or other accounting documents, accounting irregularities, anomalies or inaccuracies that they may have identified, significant uncertainties and risks relating to the preparation and processing of accounting and financial information, and any significant weaknesses in the internal control that they may have discovered. • To regularly hear the Statutory Auditors, including without the presence of the executive corporate officers, in particular during Audit Committee meetings held to review the process of preparing financial and non-financial information and review the financial statements, so that they can report on the performance of their mission and the conclusions of their work.
Monitoring the independence of the Statutory Auditors	• Examining all matters relating to the selection, renewal, dismissal, and, more generally, the responsibilities of the Statutory Auditors and submitting the results of this work to the Board of Directors. • Reviewing, with the Statutory Auditors, the risks to their independence and the safeguard measures taken to mitigate these risks; ensuring that the amount of fees paid by the Company and the Group, or the share they represent in the revenue of the firms and networks, are not likely to undermine the independence of the Statutory Auditors.
Compliance	• Examining and monitoring the systems and procedures in place to ensure the dissemination and application of best practice policies and rules for ethics, competition, fraud and corruption issues and, more generally, compliance with regulations in force. • Carrying out an annual review of the criteria used to determine current agreements entered into under normal conditions to ensure that they are still appropriate and in line with market practices and, in particular, analyzing the normal nature of the financial terms of the agreements that it assesses. • Participating in the annual review, carried out by the Board of Directors, of previously authorized related-party agreements whose effect continues over time, within the meaning of Article L. 225-38 of the French Commercial Code.

III. Operation

The Audit Committee meets as often as necessary and, in any event, at least twice a year when preparing the annual and half-yearly financial statements and, where applicable, the quarterly results.

Meetings are held before the meeting of the Board of Directors and, when possible, at least two days before the meeting when the agenda of the Audit Committee concerns the review of the interim and annual financial statements prior to their review by the Board of Directors.

The Audit Committee may validly deliberate either in meetings or by telephone or videoconference, under the same conditions as the Board, when convened by its Chairman or the Committee's Secretary, provided that at least half of the members take part in its work.

Notices of meeting must include an agenda and may be sent verbally or by any other means. The Audit Committee makes its decisions by a simple majority of the members attending the meeting, each member having one vote.

The Secretary of the Audit Committee prepares minutes of each Audit Committee meeting, which are sent to the members of the Audit Committee.

The term of office of the members of the Audit Committee coincides with that of their term of office as member of the Board of Directors. It may be renewed at the same time as the latter.

Within the strict framework of exercising its missions, the Audit Committee may contact the Company's main executives after having informed the Chairman of the Board of Directors and is responsible for reporting to the Board of Directors. The Audit Committee may also request external technical studies on subjects falling within its remit, at the Company's expense and within the limit of an annual budget that may be decided by the Board of Directors, after informing the Chairman of the Board of Directors or the Board of Directors itself and is responsible for reporting thereon to the Board of Directors. In such cases, the Audit Committee ensures the objectivity of the Board in question.

The Audit Committee may thus hear the Statutory Auditors of the Company and of the Group's companies, the Chief Financial Officer, Accounting and Treasury Directors as well as, where applicable, the Head of Internal Audit. These hearings may be held, if the Audit Committee so wishes, without the presence of members of General Management. It may also ask the main executives to provide it with any information.

IV. Activity of the Audit Committee in 2024

The Committee met six times in 2024 and addressed the following topics in particular:

- Internal control review
- CSRD
- Review of current agreements

- Internal control action plans
- Consolidated and separate financial statements
- Management planning documents
- Auditors' fees

- Review of the risk factors

- Internal control plan
- IT security

- Half-year financial statements 2024 – Review of the half-year financial report
- Presentation of the audit plan

- CSRD: Double materiality assessment
- Sapin II risk mapping
- Statutory Auditors' conclusions on internal control
- Budget
- Annual reassessment of regulated agreements

3.1.3.3 Composition and missions of the Nomination and Remuneration Committee

I. Composition

Nomination and Remuneration Committee

80%	100%	20%	6
Independence rate	Attendance rate	Women	Meetings in 2024

Composition

Mr. Emmanuel BLOT
Chairman

Ms. Candace JOHNSON
Member

Ms. Hélène PLOIX
Member

Mr. Franck MOISON
Member

Mr. Kevin HOLT
Member

In accordance with the AFEP-MEDEF Code, the Nomination and Remuneration Committee is composed mainly of independent directors, does not include any executive corporate officers and is chaired by an independent member.

At December 31, 2024, the Nomination and Remuneration Committee was composed of five members, including four independent directors:

- Chairman: Mr. Emmanuel BLOT (Independent Director);
- Ms. Candace JOHNSON (Independent Director);
- Ms. Hélène PLOIX (Independent Director);
- Mr. Kevin HOLT (Independent Director);
- Mr. Franck MOISON (Independent Director).

This composition therefore meets the above-mentioned recommendations.

II. Missions

The Nomination and Remuneration Committee plays an essential role in the composition and remuneration of the General Management and the Board of Directors.

The responsibilities of the Nomination and Remuneration Committee are as follows:

Nomination	• Make reasoned proposals to the Board of Directors for the appointment of members of the Board of Directors and the Chairman and Chief Executive Officer, as well as the members and the chairman of the committees of the Board of Directors. • Establish and maintain a succession plan for the members of the Board of Directors and the Chairman and Chief Executive Officer of the Company and the Group in order to be in a position to quickly propose succession solutions to the Board of Directors, particularly in the event of an unforeseen vacancy.
Independent members	• Review annually, the status of each member of the Board of Directors with regard to the independence criteria adopted by the Company and submit its opinions to the Board for review by the latter of the situation of each interested party with regard to these criteria. • Organize the selection of future independent members.
Assess the Board of Directors and its committees	• Prepare and submit the annual assessment of the functioning of the Board of Directors and its committees to the Board of Directors for approval. • Establish an annual agenda item to a discussion on the functioning of the Board of Directors and its committees and to the evaluation of the Chairman.
Executives' remuneration	• Establish proposals that include fixed and variable remuneration, but also, where applicable, stock options, performance shares, retirement and welfare plans, severance payments, any non-compete clauses, benefits in kind or special benefits and any other direct or indirect remuneration (including long-term) that may constitute the remuneration of the Chairman and Chief Executive Officer. • Propose criteria for defining the variable portion of the remuneration of the Chairman and Chief Executive Officer, which must be consistent with the annual assessment of the performance of the Chairman and Chief Executive Officer and with the Group's strategy. • Monitor the evolution of the fixed and variable components of the remuneration of the Chairman and Chief Executive Officer over several years with regard to the Group's performance. • Provide assistance in the drafting of the Corporate Governance report and any documentation published by the Company including elements relating to the Group's remuneration policy.
Remuneration of the members of the Board of Directors	• Propose to the Board of Directors a breakdown of the total annual sum allocated by the General Shareholders' Meeting for the remuneration of directors as well as the individual amounts of the payments to be made in this respect to the members of the Board of Directors, taking into account, in particular, their effective participation in the Board and its component committees, their responsibilities and the time they must devote to their duties. • Formulate a proposal on the remuneration allocated to the Chairman of the Board of Directors of the Company when the functions of the Chairman of the Board of Directors and Chief Executive Officer of the Company are separated.
Remuneration and incentives for Group employees	• Be informed of the same components of the remuneration of the Group's main executives and the policies implemented in this respect within the Group. • Participate in the development of the employee profit-sharing policy for the Company and its subsidiaries. • Formulating an opinion on the proposals of the executive corporate officers concerning the Group's general remuneration policy, as well as the terms and conditions for granting stock options and/or performance shares, and the implementation of employee shareholding plans, profit-sharing measures and any other collective incentive plan for employees of the Company or the Group. • Ensuring, where applicable, that the remuneration and benefits of the Group's main key executives of the Group who are not corporate officers and the allocation of stock options or performance shares are motivated by an objective of strengthening the convergence over time of the interests of the beneficiaries and the Company.

III. Operation

The Committee meets at the request of its Chairman as often as necessary and, in any event, at least twice a year, prior to the meeting of the Board of Directors held to decide on the situation of Board members, with regard to the independence criteria adopted by the Company; and, in any event, prior to any meeting of the Board of Directors held to decide on the remuneration of the members of the Executive Committee or on distribution of the annual total amount allocated by the General Meeting to remunerate Board members.

Notices of Committee meetings must include an agenda and may be sent verbally or by any other means. A quorum of at least half of the members present is required for a Committee meeting.

The Chairman of the Nomination and Remuneration Committee chairs the meetings. It appoints a Committee secretary.

The Chairman and CEO of the Company may attend all or some of the meetings, except when issues concerning the Chairman and CEO are discussed, upon invitation of the Committee. Other people invited by the Committee may also be present, in particular the Group's Human Resources Director and experts.

The Nomination and Remuneration Committee may validly deliberate either in meetings, by telephone or videoconference under the same conditions as the Board of Directors.

The Nomination and Remuneration Committee makes its decisions by a simple majority of the members attending the meeting, each member having one vote. The Chairman of the Nomination and Remuneration Committee has the casting vote in the event of a tie.

The term of office of the members of the Nomination and Remuneration Committee coincides with that of their term of office as director. It may be renewed at the same time as the latter.

The minutes of meetings are prepared by the Committee Secretary for approval by the Chairman of the Committee and the other members of the Committee. Once approved, the Secretary keeps the minutes of the Committee meetings.

The Committee met six times in 2024 and addressed the following topics in particular:

• Remuneration of senior managers • Global remuneration policy for 2024
• Remuneration in 2023: a) Achievement of performance conditions b) Variable remuneration in 2023 c) Remuneration of independent directors in 2023 • Report on corporate governance • Update on the recruitment of independent directors
• Report on corporate governance • Update on the recruitment of independent directors
• Gender diversity policy within governing bodies • Feedback on the 2024 GM and preparation of the 2025 GM (focus on remuneration)
• Annual review of directors' independence
• Review of the succession plan for the Chairman and Chief Executive Officer

3.1.4 Conflicts of interest and declarations involving members of the administrative and management bodies

To the Company's knowledge, at the date of this document, there were no current or potential conflicts of interest between the duties of the members of the Board of Directors and the Chairman and CEO with respect to the Company and their private interests and/or other duties. However, it should be noted that:

- BOE, the Group's main supplier and industrial partner, is also a shareholder (up to 32% of the share capital and voting rights), and three directors (Ms. Cenhui HE, Ms. Rong HUANG, and Mr. Xiangjun YAO) were appointed on BOE's proposal.
- E-ink, also an industrial partner of the Group, is also a shareholder (up to 6% of the share capital and voting rights) and a non-voting director and was appointed on the proposal of E Ink (Mr. Johnson LEE).

As such, this situation is likely to generate potential conflicts of interest. It is nevertheless specified that, in accordance with the provisions of the Board of Directors' internal rules:

- each director and non-voting director is required to inform the Board of Directors of any situation of conflict of interest, even potential, and must abstain from attending the debate and voting on the corresponding deliberation;
- the information and documents relating to the conflicting subject are not sent to the director or non-voting director in a situation of conflict of interest, or, in the absence of a declaration of conflict of interest, to the director or the non-voting director when there are serious grounds for believing that he/she has a conflict of interest. As an example, neither BOE nor E Ink has access to information about other suppliers.

Each year, members of the Board of Directors, non-voting directors and members of the Global Management Board are also asked to submit a declaration of absence of potential conflict of interest.

In addition, any agreement entered into between the Company and a shareholder of more than 10% of the Company's voting rights is subject to the procedure of prior authorization of related-party agreements or annual assessment of current agreements, under the conditions provided for by the texts in force (see section 3.6).

Furthermore, there is no arrangement or agreement entered into with the main shareholders or with customers, suppliers or others, under which the members of the Board of Directors and/or the Chairman and CEO would have been selected as such. However, it should be noted that Ms. Cenhui HE, Ms. Rong HUANG and Mr. Xiangjun YAO were appointed on the proposal of BOE, Mr. Emmanuel BLOT was appointed on the proposal of Bpifrance and Mr. Johnson LEE was appointed as a non-voting director on the proposal of E-Ink.

In addition, to the Company's knowledge, over the last five years:

- no member of the Board of Directors or the Chairman and CEO of the Company has been convicted of fraud;
- none of the members of the Board of Directors or the Chairman and CEO of the Company has been involved in a bankruptcy, receivership, liquidation or placing under receivership;
- no indictment and/or official public sanction has been pronounced against a member of the Board of Directors or the Chairman and CEO of the Company by statutory or regulatory authorities (including designated professional bodies); and
- none of the members of the Board of Directors or the Chairman and CEO of the Company has been prevented by a court from exercising the function of a member of an administrative, management, or supervisory body of an issuer or from intervening in the management or conduct of the business of an issuer.

3.1.5 Executive's securities transactions

Summary of transactions mentioned in Article L. 621-18-2 of the French Monetary and Financial Code carried out during the 2024 fiscal year

The table below presents a summary (Article 223-26 of the AMF General Regulation) of the transactions referred to in Article L. 621-18-2 of the French Monetary and Financial Code carried out during the 2024 fiscal year:

Person involved	Financial Instrument	Nature of the transaction	Transaction date	Location of the transaction	Unit price (in €)	Volume
Peter Brabeck-Letmathe(1)	Shares	Acquisition	04/02/2024	Euronext Paris	145,00	4,096
Peter Brabeck-Letmathe(1)	Shares	Acquisition	04/03/2024	Euronext Paris	144,99	1,311
The Glasshouse SA(2)	Shares	Acquisition	04/05/2024	Euronext Paris	148,00	5,339
The Glasshouse SA(2)	Shares	Acquisition	04/08/2024	Euronext Paris	148,00	3,764
Thierry Lemaitre(3)	Shares	Sale	04/08/2024	Euronext Paris	150,14	5,000
Thierry Gadou(4)	Shares	Sale	04/09/2024	Euronext Paris	151,71	6,000
Thierry Lemaitre(3)	Shares	Sale	04/09/2024	Euronext Paris	153,07	5,000
Thierry Lemaitre(3)	Shares	Sale	05/10/2024	Euronext Paris	157,01	10,433
Thierry Lemaitre(3)	Shares	Sale	05/13/2024	Euronext Paris	156,15	11,305
Thierry Lemaitre(3)	Shares	Sale	05/14/2024	Euronext Paris	161,50	11,462
Thierry Gadou(4)	Shares	Sale	05/15/2024	Euronext Paris	158,20	15,000
Hélène Ploix(1)	SESIM* shares(7)	Acquisition	07/16/2024	Excluding trading platform	6,43	46,656
The Glasshouse SA(2)	SESIM* shares(7)	Acquisition	07/16/2024	Excluding trading platform	6,43	1,866,252
Parmen(5)	SESIM* shares(7)	Sale	08/07/2024	Excluding trading platform	6,43	310,000
BPIFRANCE INVESTISSEMENT SAS(6)	Shares	Loan	11/12/2024	Excluding trading platform	N/A	100

(1) Director
(2) Legal entity related to Peter Brabeck-Letmathe, Director
(3) Deputy Chief Executive Officer
(4) Chairman and Chief Executive Officer
(5) Legal entity linked to Thierry GADOU, Chairman and CEO, and Philippe Bottine, Deputy Chief Executive Officer
(6) Legal entity linked to Emmanuel BLOT, Director
(7) Company holding 12.07% of the Company's share capital at the date of the declaration

3.1.6 Transactions and agreements with related parties

3.1.6.1 Procedure for assessing current agreements entered into under normal conditions

Pursuant to Article L. 22-10-12 of the French Commercial Code, the Board of Directors has put in place a procedure to regularly assess whether agreements relating to day-to-day transactions entered into under normal conditions meet these conditions (as these agreements are excluded from the scope of application of the procedures relating to regulated agreements under Article L.225-38 of the French Commercial Code).

The procedure is managed by the Finance and Legal Departments, which (i) examine the agreements on a case-by-case basis in order to propose their classification, and (ii) reiterate this assessment each year.

Agreements are assessed at the time of their conclusion, renewal or modification, in particular with regard to the following criteria:

- usual market conditions;
- the Company's business and usual practices;
- the nature and size of the transaction covered by the agreement;
- balance of reciprocal benefits.

For each type of agreement, the Group has defined criteria for assessing the "current purpose" and the "normal terms and conditions" of the agreement.

The conclusions of the assessment carried out by the Finance and Legal Departments are presented to the Audit Committee once a year.

At its meeting of February 25, 2025, the Audit Committee noted the list of agreements in force in 2024 classified as current agreements entered into under normal conditions.

3.1.6.2 Regulated agreements

Related-party agreements within the meaning of Articles L. 225-38 et seq. of the French Commercial Code are included in the Company's Statutory Auditors' special report included in Section 3.6 of this Universal Registration Document.

3.1.6.3 Agreements between, on the one hand, a corporate officer or a shareholder and, on the other hand, a controlled company within the meaning of Article L. 233-3 of the French Commercial Code

No agreement exists between i) one of the corporate officers or one of the shareholders with voting rights exceeding 10% of the Company's capital, and ii) another company controlled by the first within the meaning of Article L. 233-3 of the French Commercial Code (with the exception of agreements relating to ordinary transactions entered into under normal conditions).

3.1.7 Summary of AFEP-MEDEF Code recommendations not applied

Not applied recommendations	Explanations
When directors are appointed or reappointed, information on the reasons for which the director's candidacy is proposed to the Shareholders' Meeting (§ 15 of the AFEP-MEDEF Code)	The notice convening the General Meeting of June 19, 2024, presented the biographies of Ms. Rong HUANG and Mr. Emmanuel BLOT and Mr. Kevin HOLT but did not include the reasons why the Board of Directors had decided to present their respective candidacies to the meeting. These reasons were explained in detail at the General Meeting which appointed them and are set out in Section 3.1.2.3 of this Universal Registration Document.
Staggering of directorships (§ 15 of the AFEP-MEDEF Code)	The Company has not implemented staggered terms of office for directors. However, in view of the changes that took place within the Board of Directors in 2024 (resignation of Ms. Fangqi Ye on May 6, 2024, reappointment of Mr. Xiangjun YAO and appointment of Ms. Rong HUANG, Mr. Emmanuel BLOT and Mr. Kevin HOLT by the Ordinary General Meeting of June 19, 2024), the terms of office of six of the ten directors will expire in 2026 and the terms of office of the other four directors will expire in 2027, which will allow a renewal of the members of the Board of Directors over two fiscal years.
Directors must be shareholders in a personal capacity and, in accordance with the provisions of the internal rules, hold a significant minimum number of shares in relation to the remuneration allocated to them. (§ 21 of the AFEP-MEDEF Code)	Directors appointed on BOE's proposal do not hold VusionGroup shares because BOE's internal procedures prohibit their representatives from directly holding shares. Furthermore, Kévin HOLT does not yet hold any VusionGroup shares, but in accordance with the internal rules, he has 12 months from the date of his appointment to subscribe to his shares.
Provision for the exclusion of the Chairman and Chief Executive Officer from the payment of non-compete compensation when he exercises his pension rights and, in any event, beyond the age of 65 (§ 25.4 of the AFEP-MEDEF Code)	Until 2024, the remuneration policy for the Chairman and Chief Executive Officer did not mention the exclusion of the payment of non-compete compensation when he asserts his pension rights and, in any event, beyond the age of 65. **This mention was included in the 2025 remuneration policy, which will be submitted for the approval of the next General Shareholders' Meeting**.
Formal commitment by the Chairman and Chief Executive Officer not to use risk-hedging transactions on his performance shares until the end of the shareholding period set by the Board of Directors. (§ 25.4 of the AFEP-MEDEF Code)	No formal commitment by the Chairman and Chief Executive Officer not to use risk-hedging transactions has been provided for in the context of the free performance shares granted to him. This formal commitment has been taken by the CEO at the Board of 23 April 2025 for past plans and will also be taken in future free performance shares granted to the Chairman and Chief Executive Officer. However, it should be noted that despite this lack of formal commitment, the Chairman and Chief Executive Officer did not use this type of hedging transaction.

3.2 Remuneration of corporate officers

In accordance with the provisions of Articles L. 22-10-8 and L. 22-10-9 of the French Commercial Code, this section presents the remuneration paid during and/or allocated to each corporate officer of the Company for the 2024 fiscal year (section 3.2.1) and the remuneration policy for corporate officers for the 2025 fiscal year (section 3.2.2).

3.2.1 Remuneration paid during and/or allocated to corporate officers for the fiscal year ended December 31, 2024 (ex post)

Remuneration paid during and/or allocated to corporate officers (Chairman and CEO and independent directors) for the 2024 fiscal year was paid in accordance with the remuneration policy approved by the Combined General Meeting of June 19, 2024 (in its Resolutions 12 and 13).

No exemption applied in accordance with the second paragraph of III of Article L. 22-10-8 of the French Commercial Code was implemented.

3.2.1.1 Remuneration paid during and/or allocated to directors for the fiscal year ended 31 December 2024

The Combined General Meeting of June 19, 2024, resolved (in its Resolution 11) to set the total annual maximum amount dedicated to directors' fees for the 2024 fiscal year at €400 thousand. This budget was established based on comparative remuneration analyses carried out by an external service provider on a panel of SBF 120 companies as well as on a panel of comparable European companies, and in consideration of the increase in the number of Board members.

The Combined General Meeting of June 19, 2024, also approved (in its Resolution 12) the following remuneration policy for directors.

Only independent directors may receive remuneration for their term of office.

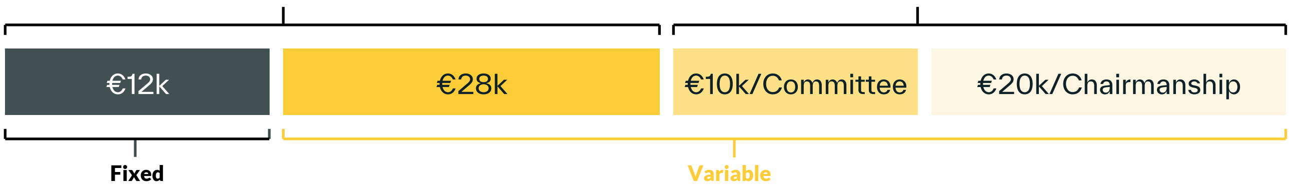
Compensation structure for 100% attendance

Board member

- **30%** fixed
- **70%** variable

Committees

- **Member:** €2,500 per meeting, up to **€10 thousand per year and per Committee**
- **Chair:** €5,000 per meeting, up to **€20 thousand per year and per chairmanship**



In application of this remuneration policy and on the proposal of the Nomination and Remuneration Committee, the Board of Directors approved the remuneration presented below at its meeting of April 23, 2025.

Compensation of directors

In € '000	Fixed-term directorships	Variable-term directorships	Committee Chairmanship	Participation in committees	Total compensation
Hélène Ploix	12	28	20	20	80
Candace Johnson*	9	21	20	8	58
Franck Moison	12	28	0	30	70
Peter Brabeck-Letmathe	12	28	20	0	60
Emmanuel Blot*	6	14	10	8	38
Kevin Holt*	6	14	0	13	33
Cenhui HE	0	0	0	0	0
Rong HUANG	0	0	0	0	0
Xiangjun YAO	0	0	0	0	0
Thierry GADOU	0	0	0	0	0
TOTAL					**339**

* It is specified that Ms. Candace JOHNSON was an independent director during the financial year (see section 3.1.2.5) and that she subsequently ceased to receive remuneration with the loss of this status.
It is also recalled that Mr. Emmanuel Blot and Mr. Kevin Holt were appointed as directors on June 19, 2024.

Table of remuneration of non-executive corporate officers
(Table 3 of the AMF nomenclature)

Amounts awarded and paid during 2024 and 2023 fiscal years (in €)

In € '000	**2024** Amounts awarded and paid during the year	2023 Amounts awarded and paid during the year
Hélène PLOIX		
Gross compensation	80	55
Candace JOHNSON*		
Gross compensation	58	50
Franck MOISON		
Gross compensation	70	50
Peter BRABECK-LETMATHE		
Gross compensation	60	40
Emmanuel BLOT*		
Gross compensation	38	N/A
Kevin HOLT*		
Gross compensation	33	N/A
Cenhui HE		
Gross compensation	0	0
Rong HUANG		
Gross compensation	0	N/A
Xiangjun YAO		
Gross compensation	0	0
TOTAL	**339**	**195**

* It is specified that Ms. Candace Johnson was an independent director during the fiscal year (see Section 3.1.2.5) and that she subsequently ceased to receive remuneration with the loss of this status.
It is also recalled that Mr. Emmanuel Blot and Mr. Kevin Holt were appointed as directors on June 19, 2024.

Amounts set aside by the Company for the purpose of paying pensions, retirement or other benefits to directors and other non-executive corporate officers

The Company made no provision for the benefit of the directors.

3.2.1.2 Remuneration paid during and/or allocated for the fiscal year ended December 31, 2024, to the Chairman and CEO

Fixed and variable remuneration

The remuneration policy approved by the Combined General Meeting of June 19, 2024 (in its Resolution 13) set the remuneration of the Chairman and CEO for the 2024 fiscal year as follows:

- fixed portion of €400 thousand;
- variable portion of €400 thousand, subject to the achievement of several performance criteria; of which:
  - financial and quantitative objectives of €280 thousand, and
  - qualitative objectives of €120 thousand, respectively.

The Nomination and Remuneration Committee met on April 22, 2025, to review the achievement of the quantitative and qualitative objectives for the 2024 fiscal year. At the end of this review, it proposed to the Board of Directors, which approved it on April 23, 2025, that the variable remuneration be paid in the amount of €349,896, i.e., 87.47% of the amount of the target variable remuneration (corresponding to a rate of achievement of 100% of the performance criteria).

The payment of this variable remuneration remains subject to the approval of the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024.

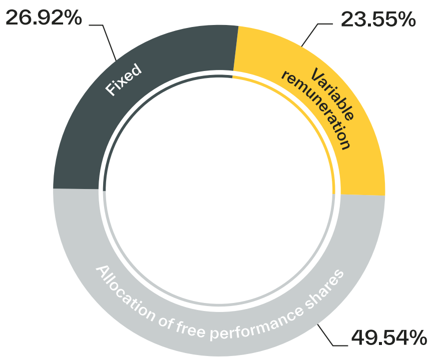
The objectives set and the achievement levels of the performance objectives are detailed in the table below. It is recalled that a level of effective performance above 100% for a criteria gives rise to a remuneration of up to 100% maximum for the said criteria.

Metrics*	Weight	Amount if objective 100% achieved	Actual performance	Corresponding remuneration amount
Quantitative (financial)	**in %**	**in €**	**in %**	**in €**
Revenues	15%	60,000	101%	60,000
VAS (Value-Added Services)	25%	100,000	78%	78,296
EBITDA	20%	80,000	113%	80,000
Net debt/EBITDA (ratio)	10%	40,000	100%	40,000
Subtotal	**70%**	**280,000**	**92%**	**258,296**
Qualitative (strategic and ESG)				
Continued development of the Walmart contract	5%	20,000	120%	20,000
Internationalization of “In the Memory”	5%	20,000	70%	14,000
Development of “Captana”	5%	20,000	40%	8,000
Carbon intensity reduction	5%	20,000	125%	20,000
CDP score	2%	8,000	Objective not met	0
Employee satisfaction	3%	12,000	80%	9,600
Parity ratio in management positions	5%	20,000	100%	20,000
Subtotal	**30%**	**120,000**	**76%**	**91,600**
TOTAL	**100%**	**400,000**	**87.47%**	**349,896**

* The definition of the EBITDA and net debt indicators is explained in Section 5.1.1 “Main performance indicators” - In addition, these indicators correspond to the Group’s consolidated financial statements. The definition of carbon intensity is explained in section 4.1.2.3.

Summary of the components of the remuneration of Mr. Thierry GADOU in his capacity as Chairman and Chief Executive Officer for the 2024 fiscal year

Given the amounts of fixed and variable remuneration in respect of 2024 as well as the valuation of the performance shares granted, the structure of the Chairman and CEO's remuneration for 2024 can be summarized as follows (subject to the approval of the short-term variable remuneration by the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024)



Summary table of remuneration and options and shares granted to each executive corporate officer

(Table 1 of the AMF Nomenclature)

In € **Thierry GADOU, Chairman & CEO**	**Year ended December 31, 2024**	Year ended December 31, 2023
Remuneration awarded for the fiscal year (detailed in Table 2)	780,470	576,073
Valuation of multi-year variable remuneration awarded during the year	None	None
Valuation of options granted during the year	None	None
Valuation of performance shares granted during the year*	736,117	659,483
Valuation of other long-term remuneration plans	None	None
TOTAL	**1,516,587**	**1,235,556**

* Based on the valuation in the Group's consolidated financial statements (fiscal year ending December 31, excluding accounting spread).

Summary table of the remuneration of each executive corporate officer

(Table 2 of the AMF nomenclature)

In €	**2024 fiscal year**		2023 fiscal year	
Thierry GADOU, Chairman & CEO	**Amount allocated for the fiscal year**	**Amount awarded and paid during the year**	Amount allocated for the fiscal year	Amount paid during the fiscal year
Fixed remuneration	400,000	400,000	360,000	360,000
Annual variable remuneration	349,896	186,641	186,641	247,454
Exceptional remuneration	0	0	0	0
Remuneration for their directorship	0	0	0	0
Benefits in kind(1)	30,574	30,574	29,432	23,171
TOTAL	**780,470**	**617,215**	**576,073**	**630,625**

(1) Mr. Thierry GADOU has a company car and a contract under the Company Guarantee for Company Executives (GSC).

It is specified that no remuneration was paid or awarded to Mr. Thierry GADOU by a company included in the Company's scope of consolidation within the meaning of Article L. 233-16.

Position of Mr. Thierry GADOU as Chairman and CEO during the 2024 fiscal year with regard to the AFEP-MEDEF Code

(Table 11 of the AMF nomenclature)

Executive director	Employment contract		Supplemental retirement plan		Allowances or benefits in case of termination or change of function		Allowances relating to a non-compete clause		Other (e.g., Insurance, etc.)	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Thierry GADOU Chairman and CEO		X		X	X(1)		X(2)		X(3)	

(1) Mr. Thierry GADOU's term of office as Chief Executive Officer is accompanied by a severance payment, described in section 3.2.2.4 below.
(2) Mr. Thierry GADOU's term of office as Chief Executive Officer is accompanied by a non-compete clause, described in section 3.2.2.4 below.
(3) Mr. Thierry GADOU's term of office as Chief Executive Officer is accompanied by unemployment insurance - affiliation to the GSC scheme.

Table of performance shares granted during the fiscal year to each executive corporate officer

(Table 6 of the AMF nomenclature)

Performance shares allocated to each corporate officer

Beneficiary corporate officer	Plan number and date	Board meeting date	Number of share granted	Valuation according to performance level, before corporate social contributions and accounting spread(1)	Acquisition/ availability date subject to performance and presence conditions	Performance conditions
Thierry GADOU	2024 plan	06/19/2024	5,564	736,117	July 2026	revenue (25%), VAS ratio (20%), EBITDA (30%), net debt/ EBITDA (15%), carbon intensity (10%) (2)
TOTAL	**N/A**		**5,564**	**736,117**	**N/A**	**N/A**

(1) Value of the shares at the time of their allocation as used in within the framework of application of IFRS2.
(2) It is specified that each performance criterion is subject to a performance assessment of 0 to 150%, and that in any event, the overall achievement level of the performance conditions is capped at a maximum percentage of 100%:

Metrics	Weight	**Achievement level in 2024**
Revenue	25%	101%
VAS (Value Added Solutions)	20%	0%
EBITDA	30%	150%
Net debt/EBITDA ratio	15%	150%
Reduction of Carbon Intensity	10%	150%
TOTAL BEFORE APPLICATION OF THE OVERALL CEILING	**100%**	**108%**
TOTAL AFTER APPLICATION OF THE OVERALL CEILING		**100%**

Performance shares allocated during the fiscal year to each executive corporate officer

(Table 7 of the AMF nomenclature)

Performance shares allocated to each corporate officer and becoming available during the year[(1)]

	Plan number and date	Number of shares that became available during the fiscal year	Performance criteria
Mr. Thierry GADOU	2022 plan Initial grant: 06/15/2022 Delivery date: July 2024	4,000[(2)]	Revenue, net result, net debt/EBITDA ratio, stock price

(1) However, it is specified that Mr. Thierry GADOU has undertaken to retain 30% of these shares until the end of his term of office.
(2) Valuation: €305,200 (see 2023 Universal Registration Document pg. 95).

The nature of the performance indicators on which the final grant was awarded, their respective weighting and their level of achievement are indicated in the table below, it being specified that if the net profit (loss) and net debt/EBITDA criteria were not met, no distribution of performance shares would have taken place, regardless of the performance achieved on the other criteria (veto condition), each performance criterion was subject to an assessment of the performance of each performance indicator from 0 to 150%, and that in any event, the overall achievement level of the performance conditions **was capped at a maximum percentage of 100%:**

Performance indicators	**Weight**	**Achievement level**	**Achievement level after application of the 100% ceiling**
Revenues	35%	141%	
Net result	35%	150%	
Net Debt/EBITDA ratio	15%	150%	
Share price	15%	150%	
TOTAL	**100%**	**148 %***	**100%**

* The overall achievement level of the performance conditions is capped at a maximum percentage of 100%.

History of performance shares (free shares) granted to corporate officers

(Table 10 of the AMF nomenclature)

Plans	**2024 Plan**	2023 Plan	2022 Plan	2021 Plan
Date of the General Shareholders' Meeting	06/23/2023	06/29/2020	06/29/2020	06/29/2020
Board of Directors meeting date	06/19/2024	03/29/2023	06/15/2022	06/16/2021
Total number of performance shares granted	145,086	148,693	116,050	112,400
Of which total number of shares granted to Thierry GADOU (no other corporate officers were awarded shares)	5,564	8,000	4,000	4,000
Date of delivery	July 2026[(3)]	August 2025[(2)]	July 2024[(1)]	July 2023[(1)]
Number of shares delivered at 12/31/24	0	0	113,050	107,850
Remaining bonus shares at 12/31/24	145,086	125,848	0	0

(1) Depending on compliance with the continuous presence condition and the achievement of performance criteria (revenue (35%), net profit (loss)(35%), net debt/EBITDA (15%), share price (15%), with it being specified that if a certain threshold of the net profit (loss) and net debt/EBITDA criteria is not reached, there will be no delivery of performance shares, regardless of the performance level achieved for the other criteria (veto condition).
(2) Depending on compliance with the continuous presence condition and achievement of performance criteria (revenue (20%), VAS (15%), EBITDA (30%), net debt/EBITDA (20%), share price (15%), with it being specified that if a certain threshold of the net income and net debt/EBITDA criteria is not reached, there will be no delivery of performance shares, regardless of the performance level achieved for the other criteria (veto condition).
(3) Depending on compliance with the continuous presence condition and the achievement of performance criteria (revenue (25%), VAS (20%), EBITDA (30%), net debt/EBITDA (15%), reduction in carbon intensity measured using a ratio comparing VusionGroup's Scope 3 carbon emissions to its consolidated contribution margin (10%) (see section 4.1.2.3).

Details of the free performance shares granted to all employees are presented in Section 7.1.3 of this document.

Exceptional remuneration

No exceptional remuneration was paid or awarded to the Chairman and Chief Executive Officer in respect of the 2024 fiscal year.

Non-concurrent employment contract and corporate office

Mr. Thierry GADOU, as Chairman and Chief Executive Officer, does not have an employment contract. Indeed, the Board of Directors recruited him as a corporate officer and CEO, before co-opting him as a director then nominating him as Chairman of the Company.

Stock options granted to the Chairman and Chief Executive Officer

No stock subscription or purchase options were granted to the Chairman and Chief Executive Officer during the 2024 fiscal year.

Severance payment in the event of termination of his duties as Chief Executive Officer

Mr. Thierry GADOU would receive a severance payment on termination of his office, the terms of which are set out in the remuneration policy described in Section 3.2.2.4.

No compensation was paid or awarded in this respect during the 2024 fiscal year.

Non-compete compensation

Mr. Thierry GADOU would receive non-compete compensation on termination of his office, the terms of which are set out in the Remuneration Policy detailed in Section 3.2.2.4.

No compensation was paid or awarded in this respect during the 2024 fiscal year.

Subscription to the GSC corporate officer unemployment insurance

A policy was taken out in 2012 under the Garantie Sociale des Chefs et Dirigeants d'Entreprises (GSC) for the benefit of the Chairman and CEO. The annual contribution for 2024 was €22 thousand.

Benefits in kind

Mr. Thierry GADOU has a company car.

Pension plan

Mr. Thierry GADOU does not benefit from any pension plan.

Remuneration paid or awarded by a company included in the scope of consolidation within the meaning of Article L. 233-16

No remuneration was paid or awarded to Mr. Thierry GADOU in respect of the 2024 fiscal year by a company included in the scope of consolidation of the Company within the meaning of Article L. 233-16 of the French Commercial Code.

3.2.1.3 Equity ratios

The data relating to paragraphs 6 and 7 of I. of Article L. 22-10-9 of the French Commercial Code are presented in the tables and graphs below, taking into account the guidelines published by the AFEP.

The ratios are calculated as follows:

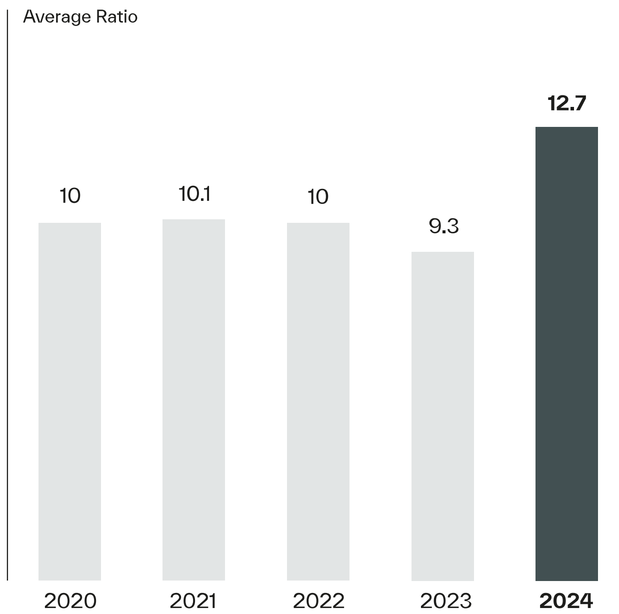
- in the numerator, the annual fixed and variable remuneration due and allocated to the Chairman and CEO;
- in the denominator, the annual fixed and variable remuneration on a full-time equivalent basis of employees on fixed-term and permanent contracts of VusionGroup SA, present at December 31 of year N.

It is specified that an equity ratio calculated taking into account the fixed and variable remuneration as well as the performance shares and benefits in kind of the Chairman and Chief Executive Officer, on the one hand, and the remuneration of all employees on the other hand, is presented in Section 4.3.3.1.10 of this document.

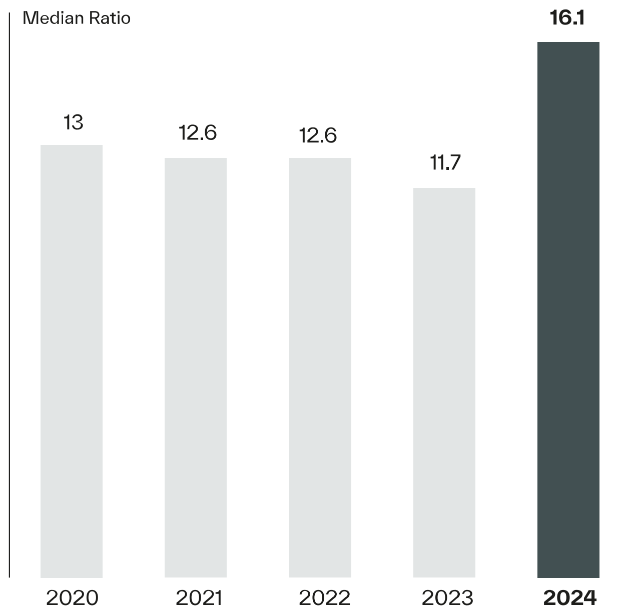
	2024	2023	2022	2021	2020
Thierry GADOU					
Fixed remuneration	400,000	360,000	360,000	340,000	320,000
Variable remuneration (100% basis)	400,000	200,000	200,000	200,000	200,000
Fixed and variable remuneration (100%) allocated for the year (in €)	800,000	560,000	560,000	540,000	520,000
Change	42.9%	0.0%	3.7%	3.7%	0.0%
Change in average wage of fixed-term and permanent employees in France	**8.1%**	**7.1%**	**8.6%**	**4.7%**	**2.7%**
Change in median wage - France fixed-term and permanent employees	**7.9%**	**15.7%**	**7.8%**	**3.7%**	**0.0%**
Revenue (in €M)	955.00	802.00	620.9	422.9	290.3
Change	**19.1%**	**29.1%**	**46.8%**	**46.0%**	**17.2%**
EBITDA (in €M)	104.7	102.3	58.6	32.3	16.0
Change	**2.35%**	**75%**	**81.4%**	**101.9%**	**300%**
Average stock price (in €)	140.4	119.91	92.50	49.96	26.00
Change	**17.1%**	**29.6%**	**85.2%**	**92.1%**	**(8.5%)**

(1) Calculation method: change in the average salary (fixed + variable at 100%) of the workforce present on January 1 of the year compared to the previous year.

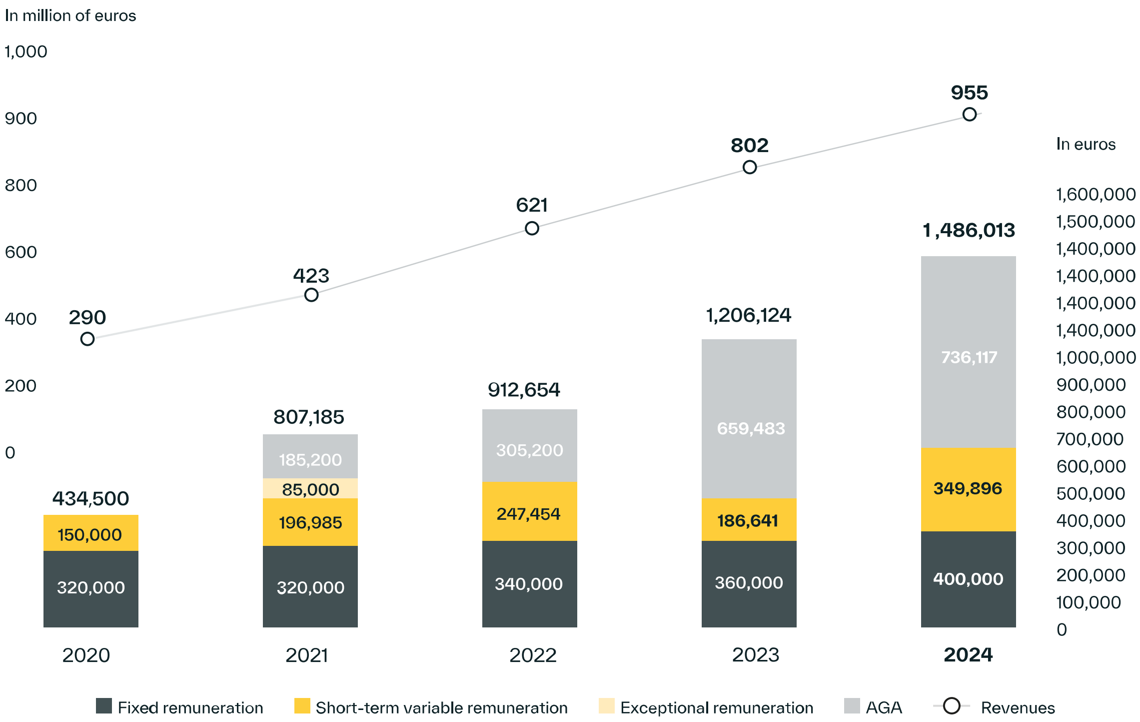
Difference between the CEO's remuneration/average remuneration of fixed-term and permanent employees in France & Change in ratio over the past five years



Difference between the CEO's remuneration/Median remuneration of fixed-term and permanent employees in France & Change in ratio over the past five years



Evolution of remuneration of the Chairman and Chief Executive Officer and the Group's performance



3.2.1.4 Components of the remuneration paid during the past fiscal year or allocated for the same fiscal year to Mr. Thierry GADOU (individual ex post say on pay)

In accordance with Article L. 22-10-34 II of the French Commercial Code, a resolution for the purposes of approving the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past fiscal year or awarded in respect of the same fiscal year to the Chairman and CEO will be submitted to the General Meeting of Shareholders of June 17, 2025.

The items submitted to the shareholders' vote are summarized below.

Summary table of the 2024 remuneration components for the Chairman and CEO

Remuneration components paid during or awarded in respect of the 2024 fiscal year	Amounts paid in 2024 or allocated in respect of the 2024 fiscal year	Presentation
Fixed remuneration	€400,000	On April 23, 2024, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, decided to set the fixed portion of the remuneration of the Chairman and CEO for the 2024 fiscal year at €400 thousand.
Annual variable remuneration	€349,896 allocated for 2024 to be paid in 2025 subject to a favorable vote at the 2025 GM €186,641 paid in 2024 (favorable vote of the 2024 GM)	On April 23, 2024, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decided to set the variable portion of the Chairman and CEO's remuneration at a target amount of €400 thousand, subject to the achievement of several performance criteria, as described in section 3.2.1.2. The achievement levels of the performance objectives conditioning the variable remuneration awarded in respect of 2024 to the Chairman and CEO, examined by the Board of Directors on the recommendation of the Nomination and Remuneration Committee, are detailed in section 3.2.1.2. The payment of this variable remuneration remains subject to the approval of the General Meeting of June 17, 2025. The performance objectives that determined the short-term variable remuneration paid in 2024, awarded in respect of 2023, and their achievement levels, are described in section 3.3 of the 2023 Universal Registration Document.
Deferred variable remuneration	N/A	No deferred variable remuneration
Multi-year variable remuneration	N/A	No multi-year variable remuneration
Performance shares	€736,117	Allocation of 5,564 free performance shares by the Board of Directors on 06/19/2024, making use of the authorization of the GM of June 23, 2023 (Resolution 17) as described in section 3.2.1.2 (see Table 6 and 10).
Directors' remuneration	–	Executive corporate officers do not receive any remuneration for their director duties.
Benefits of any kind (value)	€30,574	Company car and GSC unemployment insurance
Severance payment for termination of the CEO after a change in control	No amount is put to the vote	See section 3.2.2.4
Non-compete compensation	No amount is put to the vote	See section 3.2.2.4
Supplementary pension plan	N/A	None.

3.2.2 Corporate officers remuneration policy for the 2025 fiscal year (*ex ante*)

This section describes the remuneration policy for corporate officers for the 2025 fiscal year established by the Board of Directors on April 23, 2025, on the recommendation of the Nomination and Remuneration Committee of April 22, 2025, in accordance with Article L. 22-10-8 I of the French Commercial Code.

This remuneration policy will be submitted for approval to the General Shareholders' Meeting of June 17, 2025.

3.2.2.1 Objectives and principles for determining the remuneration policy

The remuneration policy incorporates incentives that reflect the Group's strategy, which is focused on long-term profitable growth by acting responsibly, while respecting the corporate interest and the interests of all the stakeholders.

Remuneration must aim to promote the Company's performance and competitiveness, ensure its growth and achieve the strategic plan.

The remuneration policy thus contributes to the Company's strategy and sustainability while respecting the corporate interest.

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors and the Nomination and Remuneration Committee ensure compliance with the following principles:

- <u>comprehensiveness</u>: the determination of remuneration must be comprehensive. All components of remuneration must be included in the overall assessment of remuneration;
- <u>balance among components of remuneration</u>: a reason must be given for each component of remuneration, and must correspond to the Company's corporate interest;
- <u>comparability</u>: this remuneration must be assessed in the context of a business line and the reference market. However, the market is not the sole criterion: the remuneration of an executive corporate officer depends i) on the responsibility assumed; ii) on the results obtained; and (iii) on the work performed, and sometimes on the nature of the assignments entrusted to it or specific situations (for example, the recovery of a company in difficulty);
- <u>Consistency</u>: the remuneration of the executive corporate officer must be consistent with that of the other executives and employees of the Company;
- <u>intelligibility of rules</u>: rules must be simple, stable and transparent. The performance criteria must meet the Company's objectives, be demanding, explicit and, to the extent possible, sustainable;
- <u>measurement</u>: the components of the remuneration must provide a fair balance between i) the corporate interests of the Company, ii), market practices, iii) the performance of the managers and iv) the other stakeholders of the Company.

These principles apply to all elements of remuneration, including long-term and exceptional remuneration.

In terms of remuneration, emphasis is placed on performance, entrepreneurship and individual responsibility and in particular:

- the Group's efforts to achieve its strategic transformation while managing its roadmap for Positive Retail;
- taking into account the evolution of the share price within the context of the general stock market environment..

3.2.2.2 Process followed to determine the remuneration policy

Determination of the remuneration policy

The Nomination and Remuneration Committee and the Board of Directors review the remuneration policy every year. They use studies of policies applied in comparable companies.

The remuneration of corporate officers is set by the Board of Directors, which relies on the opinions and recommendations of the Nomination and Remuneration Committee, in accordance with the remuneration policy approved by the General Meeting.

The Board of Directors determines, revises and implements the remuneration policy for each corporate officer on the recommendation of the Nomination and Remuneration Committee.

Managing conflicts of interest

In accordance with the Corporate Governance Code and the internal rules, the Chairman and CEO does not take part in the deliberations or voting on matters relating to his remuneration.

Adjustment of the remuneration policy in the event of exceptional circumstances

In accordance with Article L. 22-10-8 of the French Commercial Code, the Board of Directors may, in the event of exceptional circumstances, waive the application of the remuneration policies provided that the exemption applied is temporary and in accordance with the corporate interest and necessary to guarantee the sustainability or viability of the company. In such a case, the Board of Directors would be able to grant an element of remuneration not provided for in the remuneration policy previously approved by the General Meeting but made necessary in view of these exceptional circumstances.

The Board of Directors will make its decisions based on the recommendation of the Nomination and Remuneration Committee and after consulting an independent consulting firm, as necessary.

It is specified that this exemption can only be temporary pending the approval of the amended remuneration policy by the upcoming General Meeting, and would be duly justified.

1
2
3
4
5
6
7
8
9

3.2.2.3 Directors' remuneration policy for the 2025 fiscal year

Total remuneration package for directors

The General Meeting of June 19, 2024, set the total annual maximum amount of remuneration allocated to directors, as remuneration for their office at €400,000.

It is proposed to the General Meeting of June 17, 2025, that this amount be increased to €600,000, applicable to the current fiscal year and until a further decision is made by the General Meeting.

This new total amount is due, in part, to the increase in the number of independent directors anticipated by the Company.

The Company's objective is to add at least one new independent director to its Board of Directors during the 2025 fiscal year, on the one hand, to anticipate the succession of the Chairwoman of the Audit Committee and, on the other hand, to strengthen certain skills within the Board, particularly in the area of new technologies and finance. The Company also took into account in sizing the budget the fact that the two new directors, Mr. Blot and Mr. Holt, who were newly appointed for the 2024 fiscal year, would receive a full year of remuneration in 2025, not prorated.

On the other hand, the budget increase also results from the modification of the directors' fees policy that will be proposed at the General Shareholders' Meeting. This is in the context of actively searching for new directors of foreign nationality and the recognition of an increased need for attractiveness in terms of remuneration.

To develop this modified policy, the Nomination and Remuneration Committee and the Board relied on comparative analyses of remuneration, a panel of SBF 120 companies, and a panel of European companies, as the directors' market is a transnational market. However, the US market was not taken into account, as the decorrelation with the previous remuneration policy applicable to directors would have been too great. The companies included in the panel were: Carrefour, Teleperformance, Technip, Nexans, Verallia, JCDecaux, Valeo, Soitec, Worldline, Lectra, Stroer, SES, Temenos, Delivery Hero, Nemetschel, Ocado. When selecting these companies, account was taken of either their market capitalization (to be considered as comparable to VusionGroup) or their field of activity (mass-market retailing or tech insofar as these companies may be in competition with the Company for the recruitment of directors), or the composition of their Boards of Directors (presence of foreign directors, particularly American and German nationals, as these are significant markets for the Group). It emerged that the overall remuneration budget allocated to the Company's Board of Directors was lower than the sample average. It is specified that the new budget proposed remains lower than the average budget of the panel, while ensuring attractiveness at the individual level (i.e., per director). The Company has chosen to pay only its independent directors, which makes it possible to keep a more moderate overall amount than for the companies in the panel, which also pay non-independent directors.

Methods for distributing the total annual remuneration of directors

On April 23, 2025, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, decided to modify the remuneration policy for directors adopted in 2024, for the reasons described in the "Total remuneration package for directors" section.

The new methods for allocating the total annual remuneration of independent directors are as follows, **with it being specified that only independent directors receive remuneration.**

Directors receive:

- fixed remuneration of €12,000 per year (unchanged compared to the previous fiscal year), with it being specified that this remuneration is prorated when the director arrives during the year;
- variable remuneration, based on attendance, of €8,500 per meeting (compared to €7,000 the previous fiscal year), it being specified that this remuneration is capped and may not exceed €34,000 in any event.

It was also decided to better compensate directors involved in the work of the Board committees with:

- **for the Nomination and Remuneration Committee:**
  - remuneration of members increased to €4,000 per meeting (compared to €2,500 previously), up to a limit of €16,000 per year,
  - remuneration of the Chairman of €7,000 per meeting (compared to €5,000 previously), up to a limit of €28,000 per year;
- **for the Strategy and ESG Committee:**
  - remuneration of members of €4,000 per meeting (compared to €2,500 previously), up to a limit of €12,000 per year,
  - remuneration of the Chairman of €7,000 per year (compared to €5,000 previously), up to a limit of €21,000 per year;
- **for the Audit Committee:**
  - remuneration of members of €4,000 per meeting (compared to €2,500 previously), up to a limit of €20,000 per year,
  - remuneration of the Chairman of €10,000 per year (compared to €5,000 previously), up to a limit of €50,000 per year.

Lastly, it was decided to compensate the new position of Vice-Chairman of the Board and Lead Director with an annual lump sum of €10,000.

In accordance with the recommendations of the AFEP-MEDEF Code, this structure is established so that the variable portion accounts for the majority of the remuneration paid to directors.

Note that this policy only covers the remuneration of the independent board members for their work.

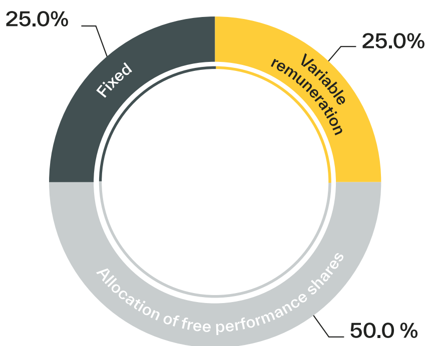
The Company cannot request that the directors return the variable portion of their remuneration.

If a director is nominated or their term of office is renewed, the remuneration policy applicable to current directors will apply.

3.2.2.4 Remuneration policy for the Chairman and CEO for the 2025 fiscal year

	Included	Not included
Fixed remuneration	✓	
Annual variable remuneration	✓	
Granting of performance shares	✓	
Exceptional remuneration	✓	
Severance payment	✓	
Non-compete compensation	✓	
Supplementary pension plan		✗
Employment contract		✗
Benefits in kind	✓	
Clawback clause		✗

Target remuneration structure with objectives achieved



The Board of Directors examined the results of the votes on the remuneration of the Chairman and Chief Executive Officer at the last General Meeting of June 19, 2024. It noted the opinions expressed by the investment community and the reports of the proxy advisory firms. On this basis, and on the proposal of the Nomination and Remuneration Committee, it decided to modify the remuneration policy for the Chairman and Chief Executive Officer concerning:

- free share allocations with the introduction of external criteria to the performance criteria, a change to the evaluation period of these criteria (over a period of three years instead of one year) and the lengthening of the vesting period (three years instead of two, with a transition system as described below);
- severance payment in the event of termination of office: clarification that it cannot be due in the event of the executive's retirement and that the performance taken into account for the payment of the severance pay will be that of the two years preceding the termination of duties, in accordance with the AFEP/MEDEF Code;
- non-compete compensation: clarification that it cannot be due in the event of the executive retiring or reaching the age of 65.

In addition, the Board of Directors introduced new qualitative criteria for variable remuneration, as they do every year.

The payment of variable and, where applicable, exceptional compensation awarded in respect of the past fiscal year is subject to approval by the Ordinary General Meeting of the components of the remuneration and benefits of any kind for the Chairman and CEO paid during the past fiscal year or allocated in respect of said fiscal year (vote ex post).

Fixed and variable remuneration for 2025

In accordance with the Company's corporate interest, the Chairman and CEO's overall remuneration includes a significant variable portion associated with annual targets:

- the purpose of the fixed portion is to recognize the importance and complexity of the responsibilities as well as the experience of the Chairman and Chief executive officer ;
- the variable portion is subject to the achievement of specific and measurable objectives, directly related to the budgetary objectives and the strategic plan of the Vusion group. They are regularly communicated to the shareholders and include ESG criteria that directly participate in the Company's ESG strategy.

The Company refers to the AFEP-MEDEF recommendations on remuneration policy: the quantitative and qualitative criteria for the variable portion of the Chairman and CEO's remuneration are therefore precise and quantified in advance, in accordance with the Company's strategy.

On April 23, 2025, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, decided to set, so as to correspond to the median of the panel of companies studied[1]:

- the fixed portion of the Chairman and CEO's remuneration for the 2025 fiscal year at €400 thousand;
- the variable portion of this remuneration of the Chairman and CEO at a maximum amount of €400 thousand for the 2025 fiscal year, subject to the achievement of several performance criteria, as described in the table below.

This variable remuneration is divided into quantitative financial objectives, amounting to €280 thousand (maximum), and qualitative strategic objectives, amounting to €120 thousand (maximum).

(1) Study carried out by an external service provider, on a European sectoral panel including the following companies: CGG, Eutelsat, Lectra, Mersen, Neoen, SES, Soitec, Solutions30, Voltalia, X-FAB Silicon Foundries, Alfen, ASM International, AT&S Austria Tech, Basler AG, Nordic Semiconductor.

1
2
3
4
5
6
7
8
9

Their assessment will depend on the achievement of objectives defined according to the budget. It is specified that for each quantitative criterion a floor achievement rate has been defined, below which no variable remuneration will be awarded to the Chairman and Chief Executive Officer for the criterion concerned. This floor rate varies between 80% and 85% of the target objective according to the indicators (with the exception of the EBITDA criterion for which the floor corresponds to the EBITDA margin achieved the previous year). It is specified that in the event of overperformance of the objective for a criterion, the Chairman and Chief Executive Officer may receive a variable remuneration corresponding, at most, to 150% of the target amount for said criterion. This maximum acquisition (150%) is achieved from an achievement rate of between 110% and 120% depending on the criteria. However, it is recalled that in any event, **the amount that the Chairman and Chief Executive Officer may receive in respect of his variable remuneration is capped at €280 thousand for quantitative objectives and €120 thousand for qualitative objectives.**

Indicators*	Weight	Amount if objective achieved
Quantitative (financial)	**(in %)**	**(in €)**
Revenues (€m)	20%	80,000
VAS (Value-Added Services) (€m)	20%	80,000
EBITDA margin	20%	80,000
Net debt/EBITDA (ratio)	10%	40,000
Subtotal	**70%**	**280,000**
Qualitative (strategic and ESG)		
Development of EdgeSense & Vision Ox	5%	20,000
Development of the AI strategy	4%	16,000
Development of Captana & V-Live	5%	20,000
Advanced risk prevention	4%	16,000
Carbon intensity reduction	3%	12,000
CDP scoring	3%	12,000
Employee satisfaction	3%	12,000
Parity ratio in management positions	3%	12,000
Subtotal	**30%**	**120,000**
TOTAL	**100%**	**400,000**

* The definition of the EBITDA and net debt indicators is explained in section 5.1.1 “Main performance indicators” – In addition, these indicators correspond to the Group’s consolidated financial statements.
The definition of carbon intensity is explained in section 4.1.2.3 of this document.

Exceptional remuneration

The Board of Directors may decide, on the proposal of the Nomination and Remuneration Committee, to grant exceptional compensation to the Chairman and CEO, in view of very specific circumstances. The payment of this type of compensation must be justified by an event such as the completion of a major transaction for the Company or the Group. The amount of the exceptional compensation thus decided may not exceed a maximum of 100% of the annual fixed compensation.

Allocation of performance shares (free shares)

The Chairman and Chief Executive Officer may benefit from the free performance share allocation.

The Board of Directors will define, for each free share allocation to the Chairman and Chief Executive Officer, a maximum target number of shares that may be delivered at the end of the vesting period, it being specified that the value of the allocation of said free shares may not exceed the value of the Chairman and Chief Executive Officer’s maximum annual remuneration (fixed and variable), i.e., €800,000. This allocation would be subject to a continuous presence condition and would depend on the achievement level of the pre-established performance criteria.

The Board, relying on the work of the Nomination and Remuneration Committee, also wished to take into account the votes cast at the last General Meeting by the shareholders, by extending the duration of the vesting period (from two to three years) and the period covered by the assessment of the performance criteria (from one to three years) such that this component of his remuneration constitutes a long-term component, in line with the practices of other SBF120 companies.

However, it is specified that this change in structure towards a three-year vesting period, taking into account the previous allocation made in 2024 which provided for a delivery in 2026, would have led, in the absence of a transition mechanism, to a total absence of delivery of performance shares for the 2027 fiscal year to the Chairman and Chief Executive Officer (one allocation in 2025 giving rise, with the new policy, to a delivery in 2028). The Board therefore decided, on the proposal of the Nomination and Remuneration Committee, to provide for a transitional mechanism, applicable only **for the 2025 fiscal year**, where the Chairman and Chief Executive Officer could be assigned:

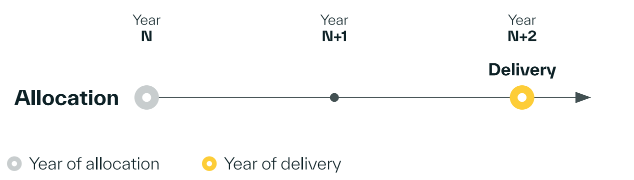
- Performance shares subject to a two-year vesting period (delivery in 2027), subject to compliance with the continuous presence condition and depending on the achievement level of the performance criteria assessed over the 2025 and 2026 fiscal years;

- Performance shares subject to a three-year vesting period, i.e., delivery scheduled for 2028, subject to compliance with the continuous presence condition and depending on the achievement level of the performance criteria over the 2025, 2026 and 2027 fiscal years.

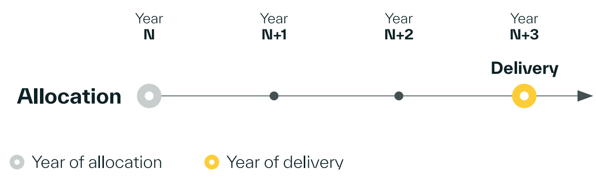
Each of these allocations would be subject to a maximum value of €800,000, and this transitional mechanism would enable the delivery, both in 2027 and 2028 of a maximum number of target shares, whose initial allocation value was limited to €800,000.

It is specified that the Board then intends to perpetuate the change in structure set out above in the future, by granting a free allocation of performance shares to the Chairman and Chief Executive Officer in 2026, for a vesting period of three years (delivery in 2029), with a performance assessment over three years.

Old mechanism



New mechanism



With regard to performance criteria, the Board of Directors decided, on the recommendation of the Nomination and Remuneration Committee and in accordance with the opinions expressed by the investor community as well as the reports of the proxy advisory firms, to introduce a new performance criterion external to the Group and allowing a comparison with the other SBF 120 companies: the “Total Shareholder Return” (TSR, total shareholder return). The Board also wished to maintain common criteria for annual variable remuneration and free performance shares to ensure that short-term performance does not undermine long-term performance.

a) Continuous presence condition

The Chairman and Chief Executive Officer must remain an executive corporate officer of the Company or one of the Group’s companies throughout the vesting period in order to receive performance shares at the end of the vesting period, subject to the exceptions described in the regulations of the relevant plans (and summarized below).

This condition, known as the “continuous presence condition”, must be met at all times and without interruption.

In the event of the termination of his duties as executive corporate officer, the Chairman and Chief Executive Officer will forfeit his right to receive the performance shares granted to him since his appointment as Chairman and Chief Executive Officer and whose vesting period will not expire on the date of termination of his duties as executive corporate officer (except in the event of death, disability or retirement, in which the right to performance shares will be maintained, as provided for in the regulations of the relevant plans).

The Board of Directors will nevertheless have the option, on the proposal of the Nomination and Remuneration Committee, to waive the continuous presence condition and maintain the benefit of the performance shares. Any such decision by the Board of Directors must be duly justified.

b) Performance criteria

With regard to the performance criteria applicable to the future allocation in 2025, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decided to set the following criteria:

Performance indicators	Weight
Revenues	25%
VAS (Value-Added Services)	20%
EBITDA margin	30%
TSR (total shareholder return)	15%
ESG: Carbon intensity reduction	10%
TOTAL	**100%**

The expected level of achievement of these criteria was pre-established by the Board of Directors on the proposal of the Nomination and Remuneration Committee, based on the budget, but has not been made public for confidentiality reasons.

It is specified that the TSR is a new criterion measuring the performance of the shares, combining share price appreciation and dividends paid to calculate the total shareholder return.

This criterion will be assessed by comparing the Company's ranking in terms of TSR, with the other SBF120 companies. The introduction of this criterion makes it possible to diversify the nature of the variable's quantitative criteria and to make one of these criteria weigh on the Company's comparison with its peers.

Each performance criterion is assessed each year from 0 to 150%, 100% being the expected performance in the budget for the year in question or the target, approved by the Board of Directors. The final achievement rate for each criterion will then be averaged over the plan period. It is specified that a final "floor" achievement level has been set for each criterion, below which no performance share will be delivered for the criterion concerned. This rate is between 80% and 85% of the target objective for the criteria relating to revenue, VAS and carbon intensity. For the TSR criterion, any performance below the median of the SBF120 TSR will result in no award for this criterion. Finally, for the EBITDA criterion, if the figure is lower than the previous year, no performance shares may be delivered for this criterion.

In any event, the overall achievement level of the performance conditions is capped at a maximum percentage of 100%, i.e., the Chairman and Chief Executive Officer may not receive a final number of performance shares greater than the number of performance shares initially granted.

c) Retention obligation

The Chairman and Chief Executive Officer will be required to retain, until the end of his term of office, a minimum of 20% of the shares vested.

Minimum number of shares to be held in registered form

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors has set a minimum number of shares that Mr. Thierry Gadou must hold in registered form until the end of his duties.

- The Board of Directors meeting of December 21, 2017, noted the considerable investment made by Mr. Thierry GADOU as a shareholder of the Company and his holding commitments. It therefore decided to fix the minimum number of performance shares (free shares) held directly at 20,000 until the end of his duties as Chairman and CEO.
- Performance share plans set up pursuant to the authorization of the Extraordinary General Meeting of June 29, 2020 (Resolution 24), specified that the corporate officers benefiting from shares undertake to retain 30% of the shares received on each delivery date until the expiry of their term of office for whatever reason.
- Performance share plans set up pursuant to the authorization of the Extraordinary General Meeting of June 23, 2023 (Resolution 17), specified that the corporate officers benefiting from shares undertake to retain 20% of the shares received on each delivery date until the termination of their duties for whatever reason.

Severance payments and non-compete clause

In compliance with AFEP-MEDEF recommendations, the combination of the severance payment and the non-compete compensation is limited to a cap of two years of fixed and variable remuneration. In addition, the payment of the severance payment is subject to performance conditions.

Severance payment

The Chairman and Chief Executive Officer is entitled to a severance payment in the event of termination of his/her duties.

This severance payment would be due only if all of the following conditions are met:

- event triggering the right to severance payment: termination of office as Chairman and Chief Executive Officer of VusionGroup in the event of dismissal (except for serious or gross misconduct) or resignation occurring within six months of a change in control of VusionGroup;
- amount of remuneration: lump-sum remuneration of a gross nominal amount equal to 18 months of fixed and variable remuneration. The variable remuneration to be taken into account for the calculation of this remuneration corresponds to the average of the last two annual variable remuneration amounts actually paid to the Chairman and Chief Executive Officer;
- performance condition for the severance payment: this condition is met if, on average, at least 75% of the quantitative objectives set for the bonus for the two years preceding that of the termination of the duties of the Chairman and CEO, have been achieved.

A "Change in Control" refers to the acquisition by a third party of at least 40% of VusionGroup's capital, either on or off the market, where applicable, following the issue of a takeover bid on VusionGroup's shares.

It is specified that this severance payment may not be due in the event of the Chairman and CEO retiring.

Non-compete compensation

If he ceases to hold office for any reason whatsoever, the Chairman and Chief Executive Officer must comply with a non-compete clause. He may not:

- work for a company with a competing activity;
- exercise or take an interest, directly or indirectly, or in any form whatsoever (in particular, as a self-employed person or as a shareholder holding more than 3% of the share capital or voting rights), in a competing activity;
- exercise or take an interest, directly or indirectly, in any form whatsoever, or invest, in any form whatsoever (in particular, as a shareholder) in the Hanshow, Pricer or ZBD companies;

- solicit or poach or seek to poach any person who is or has been employed by VusionGroup or one of its subsidiaries in the previous twelve months, in order to use the knowledge or the skills of this person for the benefit of a natural or legal person whose activities are in competition with those of VusionGroup.

Competing activity means any activity related to the design, marketing, sales or installation of electronic labeling systems.

This non-compete obligation applies to the following countries: France, Belgium, Italy, Germany, Denmark, Spain, the United Kingdom, Switzerland, Hungary, Romania, Poland, Sweden, Brazil, Mexico, Argentina, Canada, the United States and South Africa.

The clause is limited to one year from the end of his term as Chairman and CEO of the Company. At the end of this one-year period, VusionGroup could renew this ban for another year. This renewal would be notified by registered letter with acknowledgment of receipt or delivered by hand against receipt no later than 60 calendar days before the initial term of the non-compete obligation expires.

In return for the non-compete obligation, after the effective termination of his term of office as Chairman and CEO of VusionGroup and for the duration of this ban, he will receive a special monthly lump-sum payment equal to 50% of his gross monthly fixed remuneration.

This special compensation will be paid by bank transfer at the end of each month for the duration of the non-compete obligation; it will be subject to social security contributions.

Any infringement of this non-compete clause would authorize VusionGroup to put an end to the breach or infringement in question, and “to seek a court order subject to a penalty”, the end of the forbidden competition. This measure is in addition to any damages or interest to which VusionGroup would be entitled to in this case.

Likewise, any breach of the non-compete obligation would release VusionGroup SA from paying the special compensation. The Chairman and CEO would be required to repay all amounts received with interest at the legal rate from the formal notice to immediately cease the competitive activity. This would be in addition to any damages or interest to which it would be entitled.

VusionGroup SA may release the Chairman and CEO from the ban on competition at the end of his term as Chairman and CEO of VusionGroup. In this case, the compensation will not be due. This waiver must be notified by registered letter with acknowledgment of receipt or delivered by hand against receipt within eight calendar days following the date on which notice is given to the Chairman and Chief Executive Officer.

The payment of the non-compete compensation is excluded if the Chairman and Chief Executive Officer asserts his pension rights and in any event beyond the age of 65.

Pension plan

The Chairman and CEO does not benefit from any pension plan.

Remuneration in respect of the term of office as director

The Chairman and CEO does not receive any remuneration for his office as director.

Other commitments made to the Chairman and CEO

- subscription to the GSC corporate officer unemployment insurance.
- benefits in kind: as part of his duties, the Chairman and CEO is provided with a company car.

Use of the option to request the return of a variable remuneration paid to both executive and non-executive corporate officers

The remuneration policy does not provide for the possibility of requesting the return of variable remuneration to the Chairman and CEO.

Procedures for applying the remuneration policy in the event of exceptional circumstances

In accordance with Article L. 22-10-8 III of the French Commercial Code, in the event of exceptional circumstances, the Board of Directors may waive the application of the remuneration policy if this exemption is temporary, in accordance with the corporate interest and if necessary to guarantee the sustainability or viability of the Company.

Any such exemption would be decided by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee.

These adjustments would then be submitted to the binding ex-post vote of the General Shareholders’ Meeting.

3.3 Information likely to have an impact in the event of a takeover bid

In accordance with the provisions of Article L.22-10-11 of the French Commercial Code, we present the items likely to have a significant impact in the event of a takeover bid.

Structure of the share capital

The share capital of VusionGroup at December 31, 2024, amounting to €32,143,416 is divided into 16,071,708 fully paid-up shares, each of the same class and with a nominal value of €2 each. The breakdown of share capital is described in Section 7.1.1 of this document.

The statutory restrictions imposed on exercising voting rights and transferring shares, or clauses of agreements brought to the attention of the Company (pursuant to Article L. 233-11 of the French Commercial Code) which are likely to have an impact in the event of a takeover bid

None

Article 9.4 of the Company's Articles of Association provides that any natural or legal person who owns, alone or in concert, a number of shares representing a fraction of the Company's share capital or voting rights that is greater than or equal to at 1%, or a multiple of this percentage, must inform the Company of the total number of shares and voting rights and securities giving access to the share capital or voting rights that it holds, by registered letter with acknowledgment of receipt sent to the registered office within five working days of when this/these threshold(s) is/are crossed. This obligation also applies under the same conditions when each 1% threshold of the Company's share capital or voting rights is crossed.

If they have not been declared under the conditions set out above, the shares or voting rights in excess of the fraction that should have been declared are deprived of the right to vote at Shareholders' Meetings, if the failure to declare was recorded and if one or more shareholders holding at least 1% of the share capital make a request that is recorded in the minutes of the General Meeting.

The above provisions apply without prejudice to the declarations of crossing of the thresholds provided for by the legal or regulatory provisions in force.

Direct or indirect equity interest in the Company's share capital of which the Company is aware (pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code)

Apart from those mentioned in the table breaking down the share capital in section 7.1.1 of this document, the Company is not aware, pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code, of other shareholders with more than 5% of its share capital or voting rights.

The list of holders of any security with special ownership rights and their description

The shares issued by the Company give the right to vote and to be represented at the General Meetings of shareholders under the conditions set by law. It is specified that the Extraordinary General Meeting of May 21, 2014, decided (Resolution 18) not to grant double voting rights to holders of shares referred to in the Article L. 225-123, paragraph 3 of the French Commercial Code.

No share carries special control rights.

The ownership mechanisms provided for in a possible employee shareholding system when they fail to exercise their ownership rights

None.

Agreements between shareholders of which the Company is aware and that could result in restrictions on share transfers and the exercise of voting rights

None.

Rules relating to the nomination and replacement of members of the Board of Directors and the amendment of the Company's Articles of Association

Members of the Board of Directors

General provisions

Article 11.1 of the Company's Articles of Association states that during the life of the Company, directors are nominated, renewed or dismissed by the Ordinary General Meeting. They are always eligible for re-election.

If one or more directorships become vacant due to death or resignation, the Board of Directors may, between two General Meetings, make provisional nominations under the conditions provided for by law. Provisional nominations are subject to ratification at the next General Meeting.

A director nominated to replace another director shall only exercise their duties for the remainder of their predecessor's term of office.

Amendment of the Articles of Association

The Company's Articles of Association (Article 16) conventionally state that "Extraordinary General Meetings are those called to decide on or authorize direct or indirect amendments to the Articles of Association."

Article 24 of the Company's Articles of Association specifies that the Extraordinary General Meeting may only validly deliberate if the shareholders present or represented hold at least one-quarter of the shares with voting rights on the first notice of meeting and, on the second notice, one-fifth of the shares with voting rights.

In the absence of the latter *quorum,* the second meeting may be extended to a date no later than one month after the date on which it was convened.

The Extraordinary General Meeting rules by a two-thirds majority of the votes of the shareholders present or represented, including the shareholders having voted remotely.

Powers given to the Board of Directors, in particular regarding share issues and buybacks

The table of delegations granted to the Board of Directors in respect of capital increases is shown in Section 3.4 below. The authorization granted to the Board of Directors in respect of the share buyback program is described in Section 7.6.

Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company, except where such disclosure, outside of any legal disclosure obligation, would seriously harm its interests

The terms of the "Euro PP" bonds in the amount of €40 million issued in December 2023 (the "Bonds") provide for the early redemption of the Bonds, at the option of each holder, in the event of a change in control of the Company.

The terms and conditions of the €10 million bond issue entered into on July 22, 2019, provide for the early redemption of the Bonds, at the option of each holder, in the event of a change in control of the Company.

The €150 million syndicated bank loan composed of (i) an amortizing loan of €90 million and (ii) a revolving credit facility (RCF) of €60 million provides for early repayment in the event of a change in control.

Agreements providing for compensation for members of the Board of Directors, if they resign or are dismissed without real or serious cause or if their employment terminated in the event of a takeover bid (severance payments, etc.)

See section 3.2.2.4 of this report.

3.4 Table of delegations of authority granted to the Board of Directors for capital increases

(article L. 225-37-4, 3° of the French Commercial Code)

Nature	Date of General Meeting	Duration/ Expiry date*	Maximum amount authorized	Use
Delegation of authority to the Board of Directors to increase the share capital by incorporating reserves, profits or premiums, or any other sum that can be capitalized*	Extraordinary General Meeting June 19, 2024 Resolution 16	26 months until August 18, 2026	€3,190,000	None
Delegation of authority to the Board of Directors to increase the share capital by issuing, with preferential subscription rights, shares and/or transferable securities giving access to equity securities to be issued*	Extraordinary General Meeting June 19, 2024 Resolution 17	26 months until August 18, 2026	Capital increases: €15,950,000(1) Issue of debt securities: €250,000,000(2)	None
Delegation of authority to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, shares and/or transferable securities giving access to equity securities to be issued, in connection with public offers. with mandatory priority period*	Extraordinary General Meeting June 19, 2024 Resolution 18	26 months until August 18, 2026	Capital increases: €6,300,000(1) Issue of debt securities: €250,000,000(2)	None
Delegation of authority to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, shares and/or transferable securities giving access to equity securities to be issued, in connection with public offers, with optional priority period*	Extraordinary General Meeting June 19, 2024 Resolution 19	26 months until August 18, 2026	Capital increases: €3,190,000(1)(3) Issue of debt securities: €250,000,000(2)	None
Delegation of authority to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, shares and/or transferable securities giving access to equity securities to be issued, in the context of public offers referred to in 1 of Article L. 411-2 of the French Monetary and Financial Code (private placement)*	Extraordinary General Meeting June 19, 2024 Resolution 20	26 months until August 18, 2026	Capital increases: €3,190,000(1)(3) Issue of debt securities: €250,000,000(2)	None
Authorization given to the Board of Directors in the event of issue without preferential subscription rights, through public offers or private placements (Article L. 411-2 II of the French Monetary and Financial Code) to set the issue price according to the terms established by the General Meeting, within the limit of 10% of the capital per year*	Extraordinary General Meeting June 19, 2024 Resolution 21	26 months until August 18, 2026	Capital increases: 10% of the share capital per period of 12 months (1)(3).	None
Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or transferable securities giving access to equity securities to be issued as compensation for contributions in kind*	Extraordinary General Meeting June 19, 2024 Resolution 22	26 months until August 18, 2026	Capital increases: €3,190,000(1)(3) Issue of debt securities: €250,000,000(2)	None
Authorization to the Board of Directors to allocate free performance shares on existing shares or shares to be issued, without preferential right of subscription, in favor of certain employees and corporate officers of the Company and affiliates*	Extraordinary General Meeting June 23, 2023 Resolution 17	38 months until August 22, 2026	4.5% of the number of shares comprising the share capital on the day of the Board's decision to proceed with this allocation (i.e., 718,140 shares on the day of the General Meeting)	The Board granted 32,450 performance shares in February 2024 and 145,086 performance shares in July 2024 (see details of the grants in Section 7.1.3).
Delegation of authority to the Board of Directors to increase the share capital without preferential subscription rights via the issue of Company shares reserved for the members of a company savings plan*	Extraordinary General Meeting June 19, 2024 Resolution 23	26 months until August 18, 2026	€960,000 (1)	None

* Suspension during a takeover bid
(1) The total maximum nominal ceiling for capital increases, provided for by resolution 17 of the General Meeting of June 19, 2024, set at €15,950,000, constitutes the common ceiling of resolutions 17 and 23 of June 19, 2024.
(2) The total maximum nominal ceiling of debt securities, provided for by resolution 17 of the General Meeting of June 19, 2024, set at €250,000,000, constitutes the common ceiling of resolutions 17 and 22 of the General Meeting of June 19, 2024.
(3) The total maximum nominal ceiling for capital increases, provided for in resolution 19 of the General Meeting of June 19, 2024, is a sub-ceiling common to resolutions 19, 20, 21 and 22 of the General Meeting of June 19, 2024.

3.5 General Meetings and specific methods by which shareholders participate

Pursuant to Article L. 22-10-10 5° of the French Commercial Code, this report specifies the terms and conditions relating to the participation of shareholders in General Meetings set out in Articles 16 to 25 of the Company's Articles of Association.

General Meetings are convened in the manner and within the time limits set by the legal and regulatory provisions in force.

All shareholders, regardless of the number of shares they hold, have the right to attend General Meetings and take part in deliberations in person or by proxy, in accordance with applicable law and regulations. The right to participate in General Meetings is justified by the registration of shares in an account on the second business day preceding the meeting at midnight, Paris time, either in the registered share accounts held by the company or in the securities accounts held by a financial intermediary.

3.6 Statutory auditors' special report

3.6.1 Statutory auditors' special report on regulated agreements

General meeting for the approval of the accounts for the year ended December 31, 2024

This is a free English translation of the Statutory Auditors' special report on regulated agreements that is issued in French and is provided solely for the convenience of English-speaking readers. This report on regulated agreements should be read in conjunction and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

At the General Meeting of the VusionGroup,

In our capacity as statutory auditors of your company (the "Company"), we present to you our report on regulated agreements.

It is our responsibility to communicate to you, on the basis of the information given to us, the characteristics, the essential terms and conditions as well as the reasons justifying the interest for the Company, of the agreements of which we have been notified or that we have discovered during our mission, without having to rule on their usefulness and their merits or to investigate the existence of other agreements. It is up to you, according to the terms of Article R.225-31 of the Commercial Code, to assess the interest attached to the conclusion of these agreements with a view to their approval.

In addition, it is up to us, if necessary, to provide you with the information provided for in Article R.225-31 of the French Commercial Code relating to the execution, during the past financial year, of the agreements already approved by the General Meeting.

We have implemented the due diligence that we considered necessary with regard to the professional doctrine of the National Company of Statutory Auditors relating to this mission. This diligence consisted of verifying the concordance of the information given to us with the basic documents from which it is derived.

Agreements submitted to the general assembly for approval

Agreements authorised and entered into during the past financial year

Pursuant to Article L.225-40 of the French Commercial Code, we have been notified of the following agreement, entered into during the past financial year, which has been subject to the prior authorization of your Board of Directors.

Agreement with BOE Digital Technology Co. Ltd

Amendment to the Agreement for the Supply of Electronic Components or Shelf Labels by BOE Digital Technology Co. Ltd. (" *Framework delivery and quality assurance agreement* ")

Who is concerned:

- BOE Group indirectly owning 34.79% of BOE Digital Technology Co. Ltd and 100% of BOE Smart Retail (Hong Kong) Co., Ltd, shareholder holding more than 10% of the voting rights of the Company;
- Mr. Xiangjun Yao, Director of the Company and Chairman of the Board of Directors of Ewin Technology Company (formerly BOE Yiyun), owning 51% of BOE Digital Technology Co. Ltd.

Nature, purpose and modalities:

A component supply and industrial subcontracting agreement has been signed with BOE Digital Technology Co, Ltd (BOE DT) with an effective date of December 22, 2021 for an indefinite period. This contract covers the selection of component suppliers, as well as the selection of subcontractors for the assembly of finished products (electronic labels). It defines the delivery terms and incoterms, the level of quality required and the price of each product sold.

During the 2024 financial year, an amendment to this Master Agreement was previously authorized by the Board of Directors on January 23, 2024 and July 24, 2024 and concluded on November 13, 2024, with the purpose of (i) the addition of specific clauses applicable to the procurement and manufacturing services for BOE DT of any product designed under the "Skyrocket Project" (the supply of products based on orders placed by the EMS on the basis of (ii) the addition of Yiyun Digital Technology (Hong Kong) Co., Ltd. (Yiyun DT) as a party to the original contract.

Under this contract and its amendment, the Company recorded a total of $37.6 million (USD) in component purchases in fiscal 2024.

Reasons justifying its interest in the Society:

Your Board of Directors considered that this amendment would strengthen the conditions for the supply and manufacture of components for the "Skyrocket Project", as well as optimize the related customs duties between mainland China and Hong Kong.

Agreements already approved by the general assembly

Agreements approved in previous financial years, the implementation of which continued during the previous financial year

Pursuant to Article R.225-30 of the French Commercial Code, we have been informed that the execution of the following agreements, already approved by the General Meeting during previous financial years, has continued during the past financial year.

Agreement with Chongqing BOE Smart Electronics System Co. Ltd

Agreements approved in previous financial years, the implementation of which continued during the previous financial year

Who is concerned:

- BOE Smart Retail (Hong Kong) Co., Ltd, a shareholder holding more than 10% of the voting rights of the Company and indirectly related to Chongqing BOE Smart Electronics System Co., Ltd, a subsidiary of BOE Group, as well as BOE Smart Retail Co. Ltd;
- Ms. Cenhui He, Director of the Company and Director of BOE Smart Retail (Hong Kong) Co. Ltd;
- Mr. Xiangjun Yao, Director of the Company and Chairman of the Board of Directors of BOE Smart Retail (Hong Kong) Co. Ltd.

Nature, purpose and modalities:

A *Master Service Agreement* ("MSA") was signed with Chongqing BOE Smart Electronics System Co, Ltd on August 18, 2019, following approval by the Board of Directors on October 23, 2018, for the production, assembly, testing and packaging of finished products (electronic shelf labels).

A first amendment to this contract was signed in 2020, modifying the incoterms and the duration of the agreement for a period of 3 years from January 26, 2020, after authorization by the Board of Directors on May 12, 2020.

By agreement entered into on December 15, 2022 and authorized by the Board of Directors on December 14, 2022, Pdi Digital GmbH has been included in the scope of this MSA, authorizing this company to purchase the products of Chongqing BOE Smart Electronics System Co. Ltd. pursuant to the same terms and conditions as set forth in the MSA.

During the 2023 financial year, two new amendments to this MSA were previously authorised by the Board of Directors on 5 July 2023 and concluded on 20 July 2023 and 30 November 2023, with the following objectives:

- by the amendment of 20 July 2023, to strengthen the obligations to provide information on the quality and technical characteristics of components supplied by Tier 2 suppliers to the Chongqing plant (notification procedure);
- by the amendment of November 30, 2023, to insert specific clauses concerning a new range of finished products intended to supply the North American market (warranty, exclusivity, *epidemic failure* and insurance clauses).

Under this contract and its amendments, the Company recorded a total of $381.1 million (USD) in purchases and $4.1 million (USD) in component sales in fiscal 2024.

Agreement with Fuzhou BOE Optoelectronics Co. Ltd

Exclusivity Letter for the Benefit of the Corporation for the Development of Label-Related Products 2.06

Who is concerned:

- BOE Smart Retail (Hong Kong) Co., Ltd, a shareholder holding more than 10% of the voting rights of the Company and indirectly related to Fuzhou BOE Optoelectronics Co., Ltd, a subsidiary of BOE Group;
- Ms. Cenhui He, Director of the Company and Director of BOE Smart Retail (Hong Kong) Co. Ltd;
- Mr. Xiang Jun Yao, Director of the Company and Chairman of the Board of Directors of BOE Smart Retail (Hong Kong) Co. Ltd.

Nature, purpose and modalities:

By entering into this exclusivity letter, Fuzhou BOE Optoelectronics Co. Ltd has undertaken to develop products related to 2.06 labels exclusively for the benefit of the Company, for a period of 3 years, which may be extended by the Company. The intellectual property of these developments will remain the exclusive property of Fuzhou BOE Optoelectronics Co, Ltd.

Your Board of Directors previously authorised this agreement at its meeting on 5 July 2023. The agreement was concluded on 5 July 2023, with retroactive effect from 31 May 2023.

No income or expenses have been recognized by the Company in the 2024 financial year.

1
2
3
4
5
6
7
8
9

Agreements with Beijing BOE Optoelectronics Technology Co. Ltd

Product development agreements, with an exclusivity clause for the benefit of the Company

Who is concerned:

- BOE Smart Retail (Hong Kong) Co., Ltd, a shareholder holding more than 10% of the voting rights of the Company and indirectly related to Beijing BOE Optoelectronics Technology Co, Ltd, a subsidiary of BOE Group;
- Ms. Cenhui He, Director of the Company and Director of BOE Smart Retail (Hong Kong) Co. Ltd;
- Mr. Xiang Jun Yao, Director of the Company and Chairman of the Board of Directors of BOE Smart Retail (Hong Kong) Co. Ltd.

Nature, purpose and modalities:

As of September 21 and 23, 2023, the Company entered into three development agreements, in order to rely on the research teams of Beijing BOE Optoelectronics Technology Co, Ltd to develop, on behalf of the Company, products, with screen sizes of 3.43'' TFT and 1.52'' TFT, respectively.

These development agreements are subject to a three-year exclusivity clause, which may be extended at the request of the Company. They took effect retroactively from 10 July 2023.

Your Board of Directors previously authorised these agreements at its meeting on 19 September 2023.

No income or expenses have been recognized by the Company in the 2024 financial year.

Agreement with BOE Digital Technology Co, Ltd

Cross-licensing agreement between VusionGroup SA and BOE Digital Technology Co Ltd

Who is concerned:

- BOE Group indirectly owning 34.79% of BOE Digital Technology Co. Ltd and 100% of BOE Smart Retail (Hong Kong) Co., Ltd, shareholder holding more than 10% of the voting rights of the Company;
- Mr. Xiangjun Yao, Director of the Company and Chairman of the Board of Directors of Ewin Technology Company (formerly BOE Yiyun), owning 51% of BOE Digital Technology Co. Ltd.

Nature, purpose and modalities:

A cross-licensing agreement was signed on February 22, 2022 with BOE Digital Technology Co Ltd. whereby the Company licenses its historical intellectual property to BOE Digital Technology to make possible improvements and developments. Therefore, BOE Digital Technology has the right to use this intellectual property to improve and manufacture, or have manufactured, electronic labels or higher-performance components and semi-finished products (such as batteries and cables). In return, BOE Digital Technology grants the Company the right to use the improvements and to manufacture and distribute the improved products. This contract does not entitle either party to remuneration.

No income or expenses have been recognized by the Company in the 2024 financial year.

Affiliation of the Chairman and Chief Executive Officer of your company to the GSC scheme

Person concerned:

Mr. Thierry GADOU, Chairman and Chief Executive Officer of the Company

Nature, purpose and modalities:

On January 13, 2012, your Board of Directors authorized the subscription by the Company of a GSC unemployment insurance agreement for the benefit of Mr. Thierry Gadou, as of January 18, 2012.

For the financial year ended December 31, 2024, the amount of the contribution paid by your company amounted to €22 thousand.

Paris-La Défense, April 30, 2025
The Statutory Auditors

KPMG S.A.	Deloitte & Associés
/DSS2/	/DSS1/
Mathilde FIMAYER	Hélène DE BIE

4

Sustainability Statement

4.1 General information [ESRS 2] **112**

4.1.1 Methodological note [BP-1; BP-2] 112

4.1.2 Sustainability governance [GOV-1, GOV-2; GOV-3, GOV-4, GOV-5] 115

4.1.3 Presentation of activities and the sustainability strategy [SBM-1; SBM-2] 122

4.1.4 Material impacts, risks and opportunities and their interaction with the business model [SBM-3] 129

4.1.5 Management of IROs and double materiality [ESRS2 IRO-1; IRO-2] 135

4.2 Environmental information [E1, E2, E3, E4, E5] **144**

4.2.1 Climate change [E1] 144

4.2.2 Pollution [E2] 160

4.2.3 Water and marine resources [E3] 161

4.2.4 Biodiversity and ecosystems [E4] 164

4.2.5 Circular economy [E5] 167

4.2.6 Information on European taxonomy 173

4.3 Social information [S1, S2, S4] **180**

4.3.1 Own workforce [S1] 180

4.3.2 Workers in the value chain [S2] 196

4.3.3 Consumers and end-users [S4] 200

4.4 Governance information [G1] **202**

4.4.1 Business conduct [GOV-1] 202

4.4.2 Cyber risk - entity specific 207

4.5 Cross-reference table **211**

4.6 Appendices **217**

4.6.1 Contribution to the United Nations' SDGs (Sustainable Development Goals) 217

4.6.2 Taxonomy tables according to the format of Article 8 218

4.7 Report from the independent third party **222**

4.1 General information [ESRS 2]

4.1.1 Methodological note [BP-1; BP-2]

4.1.1.1 General basis for preparing the sustainability statement [BP-1]

Pursuant to Article L. 233-28-4 of the French Commercial Code, VusionGroup is required to include sustainability information in a separate section of its management report. VusionGroup has prepared its sustainability report in compliance with Regulation (EU) 2022/2464 CSRD (Corporate Sustainability Reporting Directive) and the new European Sustainability Reporting Standards (ESRS). This information was prepared in a context of first-time application of the aforementioned articles characterized by uncertainties as to the interpretation of the texts, the use of significant estimates, the absence of established practices and frameworks, in particular for the analysis of double materiality, and by a scalable internal control system. It makes it possible to understand the impacts of Vusion's activity on sustainability issues, as well as the way in which these issues influence the evolution of its results. Sustainability issues include environmental, social and corporate governance issues.

Methodological note on sustainability reporting

VusionGroup's sustainability reporting approach meets the obligations set out in European regulations known as CSRD (Corporate Sustainability Reporting Directive) which aims to frame "sustainability" reporting at the European level, i.e. the way in which companies report their consideration of environmental, social and governance issues.

The Group has not made use of the option to omit specific information relating to intellectual property, know-how or the results of innovations. Nor did it make use of the exemption from disclosure of imminent developments or matters under negotiation.

Reporting period and frequency

The data gathered covers the period from January 1 to December 31, 2024. The data is reported on an annual basis.

Scope

The scope of sustainability reporting is intended to be representative of VusionGroup's activities and is defined according to the following rules:

- the scope of sustainability reporting for the 2024 fiscal year includes all the Group's consolidated entities for all the indicators mentioned (and detailed in section II.6 Scope of consolidation of Chapter 6): only the companies consolidated in the financial statements according to the full consolidation method are included in the sustainability reporting scope;
- the Group's scope includes new assets under "operational control" (100% of their value is recorded in the assets of VusionGroup SA) consisting of assembly lines installed in the premises of the Group's tier-one subcontractors in order to satisfy the production of volumes generated by the signing of the contract with Walmart Inc.;
- the Group does not include any controlled but unconsolidated entities;
- the scope of the analysis of issues includes value chain issues:
  - the upstream value chain includes tier 1 and tier 2 suppliers with whom the Group can interact directly and includes, in addition to tier 2 suppliers, the consideration of sectoral studies,
  - the downstream value chain includes customers and partners, whether they are distributors or technological or functional partners;

4.1.1.2 Information relating to special circumstances [BP-2]

Time horizons:

The time horizons used to frame the analysis of the impacts, risks and opportunities generated by the Group's activity are in accordance with the standard and identical to the time horizons used for the assessment of the risk factors described in section 2 of this URD.

Time horizons	Definition
Short-term	Less than 1 year
Medium-term	1 year to 5 years
Long-term	More than 5 years

Indicator publication period:

As a general rule, the indicators are published voluntarily over a period of three fiscal years - in order to give perspective to the reader. Some indicators do not include historical data, as their monitoring began in 2024.

Other sustainability regulations applied:

The so-called "European Taxonomy" regulation is also applied in this report, in section 4.2.6.

As a reminder, this regulation aims to define a common framework for analyzing the economic activities of companies in order to define those that can be considered "sustainable" within the meaning of the Taxonomy.

Change in method, scope and first application:

As 2024 was the first year of publication of the sustainability statement, all the processes for calculating the indicators were reviewed to be aligned with the requests of the CSRD. The changes in methods included in this report concern:

- the calculation of the pay gap between men and women: the calculation published until now by the Group was based on the France scope and calculated according to the French method ("Penicaud" method) while the 2024 indicator is calculated on the Group's consolidated scope detailed in Section 4.3.1.7;
- the calculation of the equity ratio between the highest-paid person and the median remuneration, which was calculated in 2023 on the basis of annual remuneration, excluding long-term remuneration, compared to the median annual remuneration of VusionGroup SA employees (France). In 2024, this ratio now also includes the long-term remuneration of the Chairman and Chief Executive Officer, based on a denominator taking into account all Group employees and no longer on the employees of the VusionGroup SA entity. In addition, the Group has taken into consideration the payroll as of December 31, 2024 and thus excluded hires and departures during the fiscal year.
- frequency rate: the Group considered that "significant injuries and illnesses" was defined by work-related accidents with lost time. A more in-depth analysis of the local legal provisions will be carried out in 2025 to confirm or adjust this definition according to market practices;
- [S1-10] Decent wages: The group has chosen to consider that a decent wage corresponds to the legal minimum wage in each of the countries in which it operates. This definition may require further analysis in the future and be adjusted if necessary;
- the definition of the indicator specific to the Vusion Group, relating to “second life labels”: the “Second Life” circular economy program was measured in 2024 thanks to an indicator that only takes into account the volume of labels that have undergone factory refurbishment. In 2024, this indicator takes into account battery changes made by customers or by the Group to extend the life of the connected IoT devices;
- Carbon footprint:
  - the review of the life cycle analyzes of our products led to a restatement of our carbon footprint for 2022 and 2023,
  - following the audit of the Science Based Target initiative for the validation of the Group’s decarbonization objectives, some allocation changes were made and are detailed in section 4.2.1.6 Gross GHG emissions [E1-6],
  - the calculation of the employee commuting category was modified in 2024: our employees answered a questionnaire detailing actual distance and the mode of transport (participation rate of 59%) from which we were able to extrapolate our calculations instead of basing them on averages of distance to the closest city center to each of the Group’s establishments.

Indicator	Section
Gender pay gap	4.3.1.7
Ratio of the highest paid person to the median of employees	4.3.1.7
Second life of labels / Second Life	4.2.5.4

Degrees of uncertainty:

In applying the reporting requirements, the Group’s managers had to make judgments and estimates: the metrics used may be based on certain estimates, averages or assumptions that management considers reasonable under the circumstances.

The underlying data comes either directly from our suppliers, our own surveys or is obtained from external data providers. The latter, being secondary data such as industry / sector averages, are used if no relevant information is available in our value chain. The sources used will be specified throughout the document and in the table below.

In particular, we find the most significant uncertainties are within the reporting of Scope 3 emissions related to our upstream and downstream value chain partners. At this stage, we must rely on industry / sector averages for the calculation of emissions of the components of our products and services used (category 1 of Scope 3: emissions related to products and services purchased) because suppliers, for the most part, cannot yet provide primary data. We expect the precision of Scope 3 emissions to improve over time as calculations become more granular with more detailed modeling and supplier-specific data.

In addition, the carbon reduction trajectory depends on the group’s ability to decarbonize its products and services, both by selecting the least-emitting components, and by innovative design of its equipment/IoT, dependent on technological developments still at the project stage.

The data used to compile our sustainability metrics is subject to continuous improvement, as sustainability regulations will also result in the availability of more standardized data in the future.

The data points affected by a degree of uncertainty caused by the consultation of sectoral or industrial databases are:

Data point	Section	Indicator	Degree of uncertainty
DR-E3	4.2.3 Water and marine resources [E3-3]	Identification of impacts	CDP Water Watch; Aqueduct Water Risk Atlas
DR-E4	4.2.4 Biodiversity and ecosystems [E4-4]	Identification of impacts	WWF Biodiversity Risk Filter; ENCORE; SASB
DR-E1	4.2.1.6 Gross GHG emissions [E1-6]	Gross GHG emissions	ECOINVENT, ADEME, IEA
DR-E5	4.2.5.4 Outgoing resources [E5-5]	% Recyclable materials	Recyclability rate which may vary from one country to another / depending on the reality on the ground

Information incorporated by reference

ESRS	Paragraph no. / Data point	Corresponding content	URD referral
ESRS2 - GOV 1	21 and 23	Composition of administrative, management and supervisory bodies, Expertise and skills in sustainability	section 3.1.2.1, 3.1.2.2 and 3.1.2.6
ESRS 2 GOV-3	29	Integration of sustainability-related performance in incentive schemes (remuneration)	section 3.2.1.2
ESRS 2 GOV 4	30 and 32	Integration of supplier due diligence processes, integration of internal control due diligence processes	section 4.4.1.5 section 2.2.2

Information not published in 2024

- The GHG[1] reduction plan does not include a target for 2050;
- the levers of the GHG reduction plan were not quantified in detail, as were the CapEx / OpEx to be committed;
- pollution, water and marine resources, biodiversity: material IROs are linked to the production of electronic equipment within the upstream value chain. At this stage, the Group does not have transition plans for these issues;
- circular economy: the group has not published a repairability index for its products;
- substances of concern: the group has not published the total quantities of substances of concern that are generated or used during production or that are purchased, and the total quantities of substances of concern that leave the company's facilities in the form of emissions, discharges, or products, or within products or as part of services (broken down according to the main hazard classes of substances of concern). In the absence of a stable international framework concerning substances of concern, the group is setting up a working group in 2025 to define the framework and consolidate these indicators;

[1] Greenhouse gas.

4.1.2 Sustainability governance [GOV-1, GOV-2; GOV-3, GOV-4, GOV-5]

4.1.2.1 Governance operations, roles and responsibilities [GOV-1]

Indicators of the composition of governance bodies are provided in the governance report in section 3.1.2.1 and 3.1.2.2 of the URD.

The mapping of Board members' Sustainability skills is detailed below, bearing in mind that Board members, in addition to their skills acquired through their professional experience and other directorships, are able to consult any internal or external expertise, where applicable, upon simple request to the Secretary of the Board, either by inviting an internal expert manager or by asking the Secretary of the Board to organize a consultation with specialized external experts.

The Board of Directors determines the direction of the Company's business, in particular by considering its social and environmental issues. The respective skills of the members of the Board of Directors are summarized in sections 3.1.2.2 and 3.1.2.6 then below. The Board defines, on the proposal of General Management, the Group's multi-year strategic guidelines in terms of societal and environmental responsibility and climate strategy. The Board approves the content of the sustainability statement based on the work of its various committees:

- the Audit Committee ensures the quality of the double materiality analysis as well as the processes for reporting sustainability information and refers them to the Board of Directors. This committee also oversees issues relating to the identification of risk factors, in particular "cyber" risks, risks related to business conduct and the fight against corruption. The targets and action plans set for the issues related to the G1 standard are supervised by the Audit Committee.
- the Nomination and Remuneration Committee oversees matters relating to the value-sharing policies that the Group organizes for its employees and refers them to the Board of Directors. The targets and action plans set for the issues related to standard S1 are monitored by the Nomination and Remuneration Committee.
- the Strategy and ESG Committee monitors the Group's overall strategy and notably examines, before referring them to the Board of Directors:
  - the relevance of the Group's environmental and climate-related commitments.
  - the Group's ability to achieve its decarbonization goals, to offer decarbonization solutions to its customers, as well as to plan for the diversification of its sources of supply to face potential tensions on raw materials.
  - social issues in the value chain.

The targets and action plans set for environmental issues (E1 to E5) as well as those related to S2 issues are monitored by the Strategy and ESG Committee.

Material issues are the subject of communications distributed to the three Board Committees, according to the scope covered by these committees - details of these communications are provided in section 4.1.2.2.

The skills of the members of the Board of Directors were the subject of a questionnaire based on the material issues of the Group, resulting from the double materiality exercise, to which the members of the Board responded as part of a self-assessment based on their professional experience: the answers are summarized below:

Standards	Material issues for VusionGroup	Emmanuel Blot	Peter Brabeck-Letmathe	Cenhui He	Kevin Holt	Rong Huang	Candace Johnson	Franck Moison	Hélène Ploix	Xiangjun Yao
	Environment - climate									
ESRS E1	Climate change mitigation/resilience	yes	no	no	yes	yes	yes	no	yes	yes
ESRS E2	Pollution	yes	no	no	yes	no	yes	no	yes	yes
ESRS E3 and E4	Water management and impact on biodiversity	yes	yes	no	no	no	no	no	no	yes
ESRS E5	Circular economy	yes	no	no	yes	no	yes	no	yes	yes
	Social - own workers									
ESRS S1	Own workers of own operations	no	yes	no	yes	yes	yes	yes	yes	yes
ESRS S2	Workers in the value chain	no	yes	no	yes	yes	no	yes	no	yes
ESRS S4	End consumers	no	no	no	yes	no	no	yes	no	yes
	Governance									
ESRS G1	Business conduct	yes	yes	no	yes	no	yes	yes	yes	yes
	Cyber risks	no	no	no	yes	no	yes	yes	yes	yes

The management of the Company shares the management of material IROs by skill and expertise.

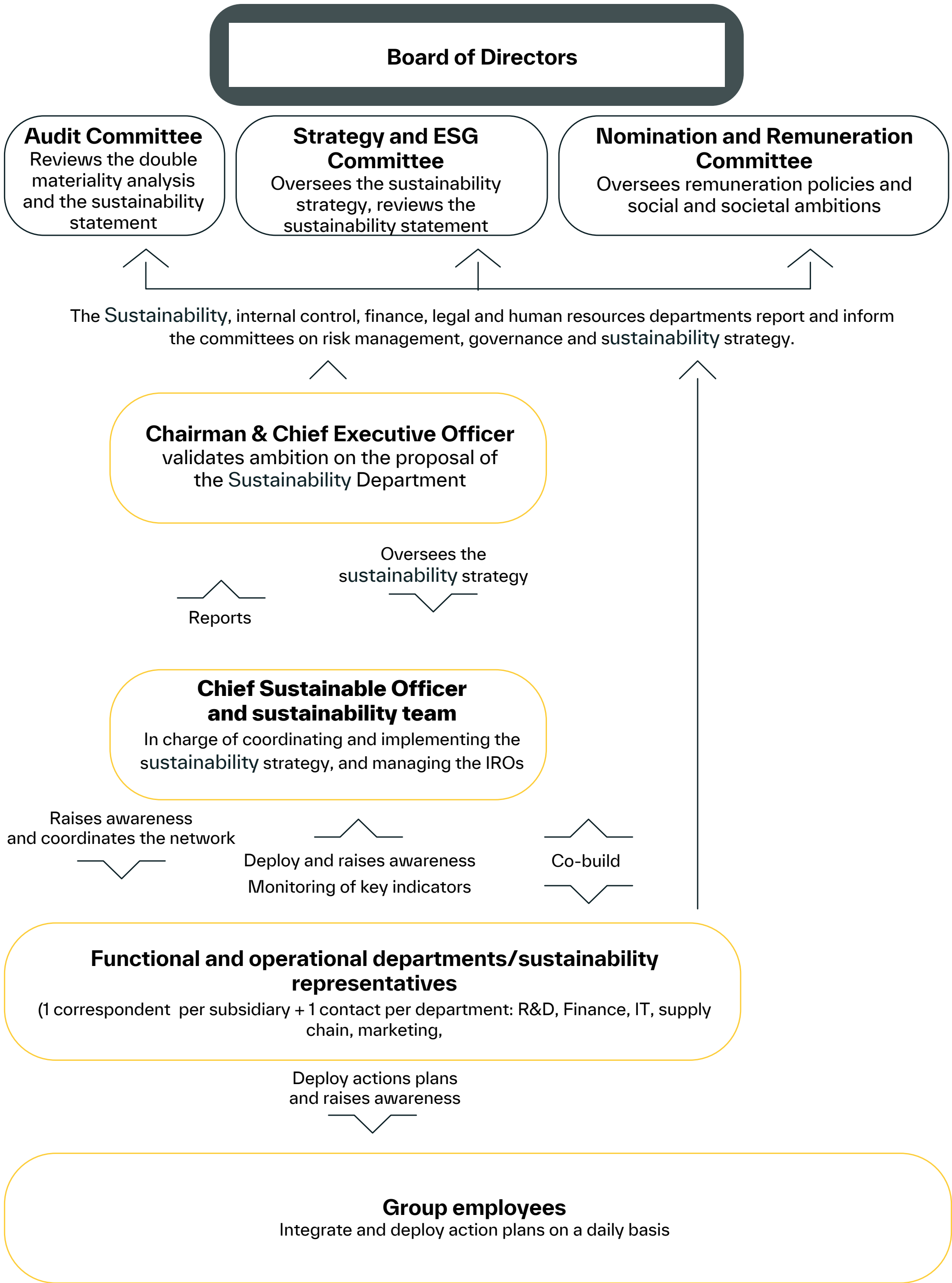
The Chief Sustainable Officer, responsible for managing and deploying the Group's sustainability strategy, reports directly to General Management and is a member of the Group's Executive Committee. This central structure is composed of two employees, whose areas of intervention are as follows:

- issues relating to supply chain management (supplier assessment), drafting of policies, response to external assessment questionnaires such as EcoVadis, ISS, CDP, etc., reporting of carbon footprint data except for life cycle analysis;
- issues relating to life cycle analyses, the circular economy, the Group's carbon ambitions (SBTi), analysis of use cases within distribution activities (avoided emissions).

The Sustainability Department relies on several expert functional departments, each of which contributes to the sustainability objectives:

- the Research and Development Department (R&D) manages the life cycle analysis calculations for the Group's products and solutions, which are key to calculating the carbon footprint; Close coordination is ensured with the Sustainability Department and the Finance Department, the management of the carbon intensity ratio;
- close coordination is ensured with the Finance Department in order to calculate the carbon intensity ratio;
- the Operations Department manages circular economy issues through its coordination of electronic label refurbishment projects. This department regularly reviews its objectives in consultation with the regional sales departments, which initiate the take-backs of used IOT product and/or initiate second-hand range offers;
- the Strategic Purchasing Department (industrial purchasing) leads all investigations carried out within the upstream value chain (tier 1 and 2 suppliers); the sustainability objectives (workforce in the value chain and impacts induced by climate change in particular) are part of the more general search for diversification of supply sources and supplier selection;
- the Human Resources Department manages all ambitions in terms of equal rights, work-life balance and managerial dialog;
- the Information Systems Department structures plans to combat cyber risks and data theft;
- the Finance Department (Internal Control Department) ensures good anti-corruption and ethical business practices in cooperation with the Legal Department;
- the Finance Department (Security and Risk Management Department) investigates the action plans relating to the Group's resilience, and in particular its upstream value chain, in cooperation with the Strategic Purchasing Department;

1 2 3 4 5 6 7 8 9


Board of Directors
Audit Committee
Reviews the double materiality analysis and the sustainability statement
Strategy and ESG Committee
Oversees the sustainability strategy, reviews the sustainability statement
Nomination and Remuneration Committee
Oversees remuneration policies and social and societal ambitions
The Sustainability, internal control, finance, legal and human resources departments report and inform the committees on risk management, governance and sustainability strategy.
Chairman & Chief Executive Officer
validates ambition on the proposal of the Sustainability Department
Oversees the sustainability strategy
Reports
Chief Sustainable Officer and sustainability team
In charge of coordinating and implementing the sustainability strategy, and managing the IROs
Raises awareness and coordinates the network
Deploy and raises awareness
Monitoring of key indicators
Co-build
Functional and operational departments/sustainability representatives
(1 correspondent per subsidiary + 1 contact per department: R&D, Finance, IT, supply chain, marketing,
Deploy actions plans and raises awareness
Group employees
Integrate and deploy action plans on a daily basis

4.1.2.2 Information provided to the governance bodies [GOV-2]

Monitoring impacts, risks and opportunities

The Board is informed about market developments, the competitive environment and the main issues facing the Company, including in the area of societal and environmental responsibility. It regularly examines, in line with the strategy it has defined, the opportunities and risks (financial, legal, operational, social and environmental), and the measures taken as a result. To this end, it receives all the information necessary to perform its duties.

Information provided to the Board of Directors:

April 23, 2024: The non-financial performance statement was submitted to the Board for approval.

On the same date, the climate strategy to be presented during the General Meeting was communicated.

The material IROs were presented to the Audit Committee on December 11, 2024. Consequently, the results and effectiveness of the policies, actions, indicators, and objectives were not presented during 2024. This will be done in 2025. For this same reason, the IROs as such are not included in the company's strategy to date, but several issues have indeed been communicated and informed, as described in the paragraphs below.

Information provided to the Audit Committee

March 7, 2024: The regulatory aspects induced by the CSRD were presented to the Audit Committee

August 6, 2024: Actions to combat cybercrime and issues related to internal control were presented by the Head of Information Systems and the Head of Internal Control;

October 24, 2024: Presentation of the CSRD roadmap to the Strategy and ESG Committee.

December 11, 2024: The double materiality analysis carried out during the second half of 2024 was presented to the Audit Committee, during which the material sustainability issues for the Group were detailed - the members of the Committee reviewed the methodology followed and the materiality threshold that led to the assessment of these 25 material IROs (detailed in section 4.1.5 of this report).

The corruption risk mapping was also presented on December 11, 2024.

Information provided to the Nomination and Remuneration Committee

March 26, 2024: The Chairman and CEO's remuneration indicators related to sustainability were reviewed and approved during the meeting.

Information provided to the Strategy and ESG Committee:

April 22, 2024: The 2023 non-financial performance statement was submitted to the Committee.

September 10, 2024: Material issues (i.e. IROs - impacts, risks and opportunities - identified during the double materiality exercise) relating to the group's sustainability strategy known as "Positive retail" and, in particular, the Group's carbon trajectory was set, and the decarbonization challenges of our customers' activities were presented by the Chief Sustainable Officer:

- the Group's commitment to the SBTI[1] initiative, presentation during which a detailed explanation of the Group's carbon footprint and GHG (greenhouse gas) emissions was made, as well as the roadmap and its management through indicators and levers identified (product life cycle analysis, volume of labels processed as part of the circular economy, car policy, etc.);
- the risk of damage to the Group's reputation if its strategy is not perceived by its stakeholders (and, in particular, its customers) as sufficiently resilient in the face of climate issues;
- the opportunity to win customers if the Group's activities are perceived as beneficial: on this occasion the initiatives taken to decarbonize the retail trade were detailed (fight against food waste, support for a more virtuous choice of assortment in stores and the ability to respond to the growth of e-commerce without resorting to the construction of an order preparation warehouse);
- the issue of transparency for end consumers is reviewed during product and service launches by the Product Marketing and R&D Departments to the Strategy and ESG Committee.

October 24, 2024: The regulatory aspects induced by the CSRD were presented to the Strategy and ESG Committee.

The other material issues were not the subject of specific communication to the governance bodies, except during the review of the overall sustainability statement: the ESRS E3 issues (issues relating to negative impacts on water), E4 (issues relating to negative impacts on biodiversity), and S2 (issues relating to workers in the value chain) are managed directly by the Industrial Supply Department and the Sustainability Department.

[1] Science-Based Target initiative.

4.1.2.3 Sustainability remuneration [ESRS2 GOV3]

The criteria for the compensation of Group management, linked to sustainability, for:

- the Chairman and CEO, as described in Section 3.2.1.2,
- The Executive Committee (Excom)[1] is broken down into:
- for two Excom members, both an annual variable compensation component, based on one or more sustainability criteria defined according to their area of responsibility, (the HR Director for 12% of her variable remuneration dependent on a criterion linked to the eNPS® score obtained over the half-year, and the Chief Sustainable Officer for 24% dependent on achieving a reduction in carbon intensity, for 16% dependent on the score obtained from the Carbon Disclosure Project, (CDP) and for 24% dependent on steering the CSRD)
- for the entire Excom through the long-term incentive plan.

The remuneration structure for Excom members is approved by the Group's Chairman and CEO.

Each year, the Nomination and Compensation Committee reviews the following performance criteria before submitting them to the Board of Directors for approval:

- the long-term incentive plans ("LTI") from which the Chairman and Chief Executive Officer and members of the GMB also benefit, and the associated performance indicators, including a sustainability indicator (carbon intensity measured through a ratio reporting VusionGroup's Scope 3 carbon emissions to its margin on variable costs), which accounts for 10% of the total performance of the 2024 plan. This performance is assessed each year after calculating and auditing the Group's carbon footprint (Scope 3), which is the numerator of the ratio and the variable cost margin, which is the denominator of the ratio.
- the variable remuneration of the Chairman and Chief Executive Officer, which, in line with the sustainability challenges identified by the Group, includes, for the 2024 fiscal year, four criteria in terms of the achievement of social or environmental objectives, representing 15% of his potential variable bonus: (see section 3.2.1.2 of this URD);

Criteria included in the variable bonus of the Chairman and CEO	%
Carbon intensity reduction	5%
CDP score	2%
Employee satisfaction	3%
Parity ratio (women managers)	5%

[1] Excom: Executive Committee as defined in Section 3.1.1.2.

4.1.2.4 Due diligence statement [GOV-4]

Reasonable vigilance cross-reference table

	Corresponding ESRS	Section
	Embedding due diligence in governance, strategy and business model	
1	ESRS 2-GOV1 -GOV2 ESRS2-SBM3	4.1.2.1 Governance operations, roles and responsibilities; 4.1.2.2 Information provided to the governance bodies; 4.1.2.5 Risk management and Internal controls.
	Engaging with affected stakeholders in all key steps of the due diligence	
2	ESRS2-SBM2	4.1.3.2 Stakeholders interests and views;
	Identifying and assessing adverse impacts	
3	ESRS2-IRO1	4.1.5 Management of IROs and double materiality
	Taking actions to address those adverse impacts	
4	ESRS2 MDR A	4.2.1.5. Actions and resources related to climate change mitigation and adaptation [E1-3]; 4.2.2.3 Actions and resources related to pollution [E2-2]; 4.2.3.2 Policies [E3-1], actions and resources related to water and marine resources [E3-2] 4.2.4.4 Policies [E4-2], actions and resources [E4-3] related to biodiversity and ecosystems; 4.3.1.4 Action and resources related to the company's workforce [S1-2]; 4.3.2.4 Actions and resources related to workers in the value chain [S2-2, S2-3, S2-4] ; 4.3.3.3 Policies, actions and resources related to consumers and end users; 4.4.1.4 Policies related to the prevention and detection of corruption and bribery cases [G1-3; G1-4], action plan and targets; 4.4.1.5 Policies related to the management of supplier relationships [G1-2; G1-6], action plan and targets; 4.4.2.3 Actions and resources related to cyber risk.
	Measure and communicate these efforts	
5	ESRS2-MDRM ESRS2-MDRT	4.2.1.6 Indicators and objectives related to climate change [E1-4], [E1-5], [E1-6]; 4.2.2.4 Indicators and targets related to pollution [E2-4] 4.2.3.3 Indicators and objectives related to water and marine resources [E3-3]; 4.2.4.5 Indicators and objectives related to biodiversity and ecosystems [E4-4]; 4.2.5.4 Indicators and objectives related to resource use and circular economy [E5-3]; 4.3.1.7 Indicators and targets related to the company's workforce [S1-5] - [S1-16]; 4.3.2.5 Indicators and objectives related to workers in the value chain [S2-5]; 4.4.1.4 Policies related to the prevention and detection of corruption and bribery cases [G1-3; G1-4], action plan and targets; 4.4.1.5 Policies related to the management of supplier relationships [G1-2; G1-6], action plan and targets; 4.4.2.4 Indicators and targets related to cyber risk

4.1.2.5 Risk management and internal controls [GOV-5]

Collection of data and sustainability reporting

Reporting and data collection are carried out centrally by the Sustainability Department and made reliable according to their nature. Most of the verifications carried out are based on an analytical review by the Sustainability Department, and cross-checking with the consolidated financial data for the fiscal year:

i. social data is, for reasons of confidentiality, verified by the human resources department through a separation of functions between the preparation of the data and the control thereof.

ii. the data relating to the audit of our supply chain are verified by analytical review and separation of functions between the employee performing the audits and the employee performing the reporting. The supplier investigation scope is cross-referenced with the consolidated purchasing amounts by supplier, reported by the Finance Department.

iii. the product life cycle analysis (LCA) data is verified for the first time by a qualitative review, carried out by the team of external consultants who assist us in this exercise, according to the methods provided for by ISO standards, (the Group has not yet opted for ISO certification for all these calculations). The consistency of these calculations is reviewed a second time by VusionGroup's R&D engineers before uploading to the carbon footprint calculation platform according to the GHG Protocol method;

iv. the data related to the circular economy are cross-checked with the consolidated financial data (sales of second-hand labels and stock of recycled labels) - the costs incurred are checked and cross-checked with the financial department's analytical monitoring of opex;

v. the monitoring of the carbon footprint is carried out by analytical review of each category of carbon emissions, carried out by the Sustainability department. In addition, the quality of this calculation was audited by the SBTi auditors in 2024, on the basis of the 2023 calculations, making it possible to ensure the reliability of the classification and consideration of all carbon emission categories by scope. Lastly, the control carried out by the Sustainability Department consists of reconciling volumes sold with consolidated revenue, and leased offices and vehicles with leasing expenses recorded in the consolidated financial statements.

vi. data related to carbon emissions generated by business travel are obtained from the travel agency managing all trips within the scope of the group, whose methodology corresponds to the GHG protocol[1];

vii. governance data is collected from the legal department and the risk, control & internal audit department, on the basis of minutes of meetings of the Board or its committees, without any specific control by the Sustainability department.

viii. data on impacts for end consumers are cross-referenced with volumes sold (consolidated financial statements).

Reporting and internal control procedures

The reporting of sustainability data is subject to a consistency review carried out jointly by the Finance Department, the R&D Department and the Sustainability Department, mainly focused on climate issues. The integration of data related to sustainability reporting in the Group's information systems is planned in the course of 2025 in order to limit manual manipulations.

At this stage, there are no control procedures in place for sustainability data - this is a project to be carried out in the future.

(1) The Greenhouse Gas Protocol is an international protocol that provides a framework for measuring, accounting for and managing greenhouse gas emissions. GHG Protocol: Greenhouse Gas Protocol (https://ghgprotocol.org/).

4.1.3 Presentation of activities and the sustainability strategy [SBM-1; SBM-2]

4.1.3.1 Strategy, business model and value chain [SBM-1]

Presentation of the Group and business model

The Group's commercial offering

VusionGroup partners with retailers in the use of digital technologies in stores: the Group has developed a complete digital IoT platform that allows retailers to connect and digitize their points of sale, automate low value-added processes, better understand, inform, and serve customers, produce quality information to optimize shelf life at all times, avoid disruptions and waste, and create an omnichannel service that builds loyalty and is adapted to new consumer expectations. The Group has a proprietary technology in terms of high-reliability and very low-power communication protocol, e-Paper digital display technologies and TFT LCD (Thin Film Transistor Liquid Crystal Display) for physical retail, high-scalability and security Cloud IoT solutions (smart labels, sensors and connected cameras), artificial intelligence applied to image recognition, and online collaborative services.

VusionGroup's tier-one suppliers are assemblers of electronic components, generally referred to as EMS (Electronic Manufacturing Services). They deliver finished products to us, including hardware and IoT devices. Tier 2 suppliers are the suppliers of components for our EMS.

Group revenue and workforce

In €M consolidated revenue	**2024**	2023	2022
Electronic labels	849	693	512
Services, software and other value-added solutions	106	109	109
Total	**955**	**802**	**621**

Group workforce

Workforce at December 31 of each year	**2024**	2023	2022
France	419	397	252
International	530	450	356
Total	**949**	**847**	**608**

The company's workforce by geographical area is detailed in section 4.3.1.7.

Market and challenges

The Retail Sector: an economic model in transition between physical commerce and e-commerce

Electronic commerce, or e-commerce, is experiencing dynamic growth and is virtually the sole driver of global retail sales growth: the global e-commerce market reached approximately $7.75 billion in 2021 and is expected to reach $32.87 billion by 2031, with a compound annual growth rate (CAGR) of 17.4%[(1)]. This growth is largely due to the convenience and enhanced services offered by online retailers.

Despite this growth in e-commerce and the pressure it exerts, physical retail still carries the bulk of transactions (80%). However, the distinction between physical and digital is fading. The growth in online sales is such that it is estimated that e-commerce could account for more than 22% of total sales in the retail sector by 2027, according to Statista,[(2)] compared to 20% today.

The largest global retailers are thus pursuing their strategies towards an omnichannel model: there are now multiple purchasing paths, ranging from online ordering, home delivery from the store, drive, click & collect, traditional purchases at the point of sale, etc.

To support these profound changes and the associated challenges (transparency, uniformity, and synchronization of information available on all channels), it is necessary to integrate certain technologies and contribute to improving efficiency, profitability, and sustainability and the overall consumer experience. It is within this context that VusionGroup invents and produces solutions for retailers, thus stimulating their digital transformation in response to their challenges.

1
2
3
4
5
6
7
8
9

(1) https://www.businessresearchinsights.com/en/market-reports/e-commerce-market-102887
(2) https://fr.textmaster.com/blog/e-commerce-mondial-statistique-2025/

VusionGroup's business model

Our purpose: we invent enabling IoT solutions

Macroeconomic context and market trends

- Physical retail is the largest private employer in the world, but it is currently under significant economic and social pressure.

Resources: Retail digitalization facilitators

Employees - section 4.3.1

- 949 employees, including 419 in France (44%), 323 in the rest of Europe (34%), 80 in Asia (8%) and 127 in North America (13%).
- 30% female managers

Expertise

- 30 years of leadership in the digitization of retail
- State-of-the-art technology
- Eco-design and recyclability of solutions (electronic gondola labels)

Intellectual property

- 931 active patents
- 159 active patent families
- Low-energy IoT is a research priority for the Group

Strong partnerships

- Manufacturing: strategic partnership with BOE, E Ink, Qualcomm, Jabil
- Technology platforms: (Microsoft Azure, Cisco Meraki, etc.)
- Sustainable development: Carbone 4, HowGood, Smartway, WBCSD [1], UN Global Compact, SBTi, Ecovadis.

International presence

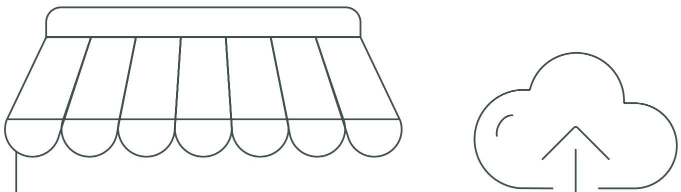
- Global leader - 20 entities worldwide
- Main markets in Europe, the Middle East, and North America

(1) WBCSD: World Business Council for Sustainable Development

How we create value: by contributing to the

Working for positive retail: the Vusion platform, at the heart of our innovation

Protect the environment and local employment by making the digital transformation of retail profitable and sustainable, using more low-carbon products (the new EdgeSense range emits on average -48% GHG emissions compared to its Vusion equivalent).



- **SESimagotag: low-**carbon connected IoT devices
- **VusionCloud:** IoT platform
- **Captana:** AI/computer vision
- **Engage: In-**Store targeted marketing
- **Memory:** analysis and modeling tool
- **PDidigital:** connected IoT devices for industry

Strategic priorities for

- **Positive impact** and quantifiable contribution to low-carbon and socially beneficial retail
- **Growth and Leadership:** continue to be the world leader in ESL and the digitization of physical retail
- **Customer-centric culture,** delivering exceptional value through VusionGroup's digitized operations that boost the profitability of physical retail

create a positive impact on society, sustainable and human-centered retail

- The digitization of retail - transforming brick-and-mortar stores into digital assets - will enable it to benefit from sustainable growth and evolve with society.

sustainability of physical retail through digitization

Knowledge

- More than 30 years of international experience in the design of electronic and digital solutions for physical retail
- An extensive international presence able to meet the needs of global retailers in all their markets
- A personalized offer that adapts to the requirements of each market
- An in-depth understanding of digital tools, from their creation to their use, to improve in-store operational efficiency
- An ability to engage consumers in real time thanks to their insights in store

Supply

- Leverage our partnerships to create a strategic and competitive supply chain
- Risk mitigation through the reliability and diversification of our supply chain
- Adoption of best governance practices to promote ethical and sustainable supply chains

implement the Vusion 27 plan

G1	C1	VAS	TOP	SUSTAINABILITY
Growth & Leadership	Customer -centric action	Software & Value-Added Services	Operational performance	Positive impacts

Value created through the digitization of physical retail

Company employees

Work environment and culture promoting value creation while ensuring employee well-being and equal opportunities

- 100% of employees participate, in 2024, in the long-term incentive program in 2024 (performance shares)
- E- NPS® employees = 35 in H1 and 33 in H2 2024

Retailers and their employees

- Increased revenue through reduction of stock-outs, optimization of Category Management and increased consumer engagement
- Increased operational efficiency of brick-and-mortar stores, resulting in higher operating margins
- Increase in NPS® (67.4 in H1 and 62.6 in H2 2024)

Consumers, communities, and society

- Easily available and accurate pricing and product information
- Maintain social ties and connections between people
- Tools to reduce food waste (1 metric ton of emissions avoided per month with Flash Evo at Kavanagh's)

Suppliers and their employees

- Responsible and sustainable supply chain (99.64% of industrial purchases covered by our code of conduct)
- Transparency (exploitation of conflict minerals, human rights, etc.)
- Long-standing suppliers and multi-year contracts, continuity plan, resilience of the value chain

Shareholders

- TCAC[1] of revenue over 10 years up by 30%
- Share price appreciation over three years: 136% (end of 2021 to end of 2024)

Planet

- Decarbonization of physical retail: avoided emissions through use-cases (local e-commerce etc...)
- Low-carbon solutions: Cloud, Infraless, EdgeSense
- Circularity: “Second Life” program

(1) Compound annual growth rate

Contributing to the decarbonization of retail through our solutions

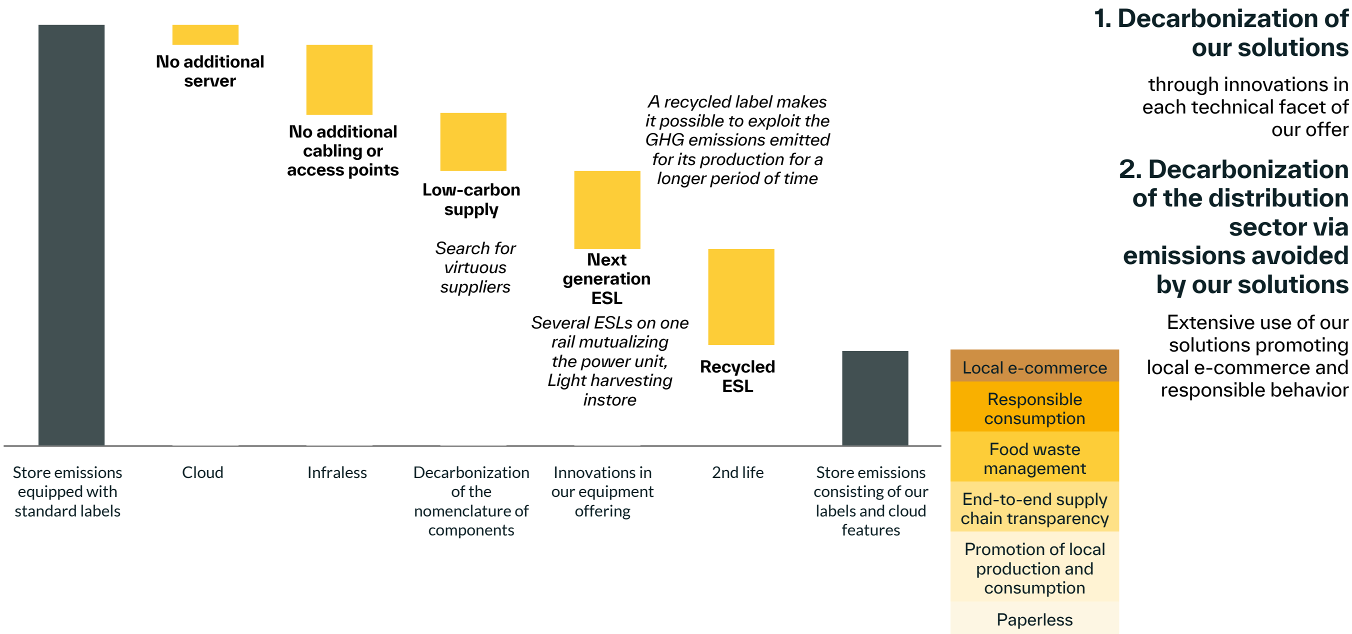
In order to manage the decarbonization goals of its products and services, the Group has, since 2022, developed the comprehensive modeling of its GHG (greenhouse gas) emissions, according to the GHG Protocol methodology, in order to define the objectives of the Group's carbon trajectory, in line with the objectives of the Paris Agreements, from reference year 2022.

The solutions the Group provides to its customers can contribute to reducing their carbon footprint through several levers:

- local e-commerce: we are digitizing the physical store to create micro-distribution/shipping centers and thus avoid the construction of order preparation warehouses;
- supply chain transparency: the data created and acquired through the use of our solutions contribute to better management of flows and inventories, better forecasting of demand (less last-minute supplies, less waste food, etc.) and improved traceability for all stakeholders;
- paperless retail: the gradual discontinuation of receipts, paper advertising at the point of sale, and catalog promotions; Our various solutions make it possible to convey just as much information to the consumer without the need for print-outs and the use of ink, paper, and printers;
- greater transparency for the consumer: ESLs also enable the retailer to better inform customers and support more responsible consumption;
- reduction of food waste: better shelf management optimizes inventory forecasts and sales, and immediately reduces food waste. It is now possible to adjust prices, promotions, or product placement when they reach the end of their life.

The infographic below symbolizes the decarbonization trajectory and levers identified at this stage, for our entire range of solutions:

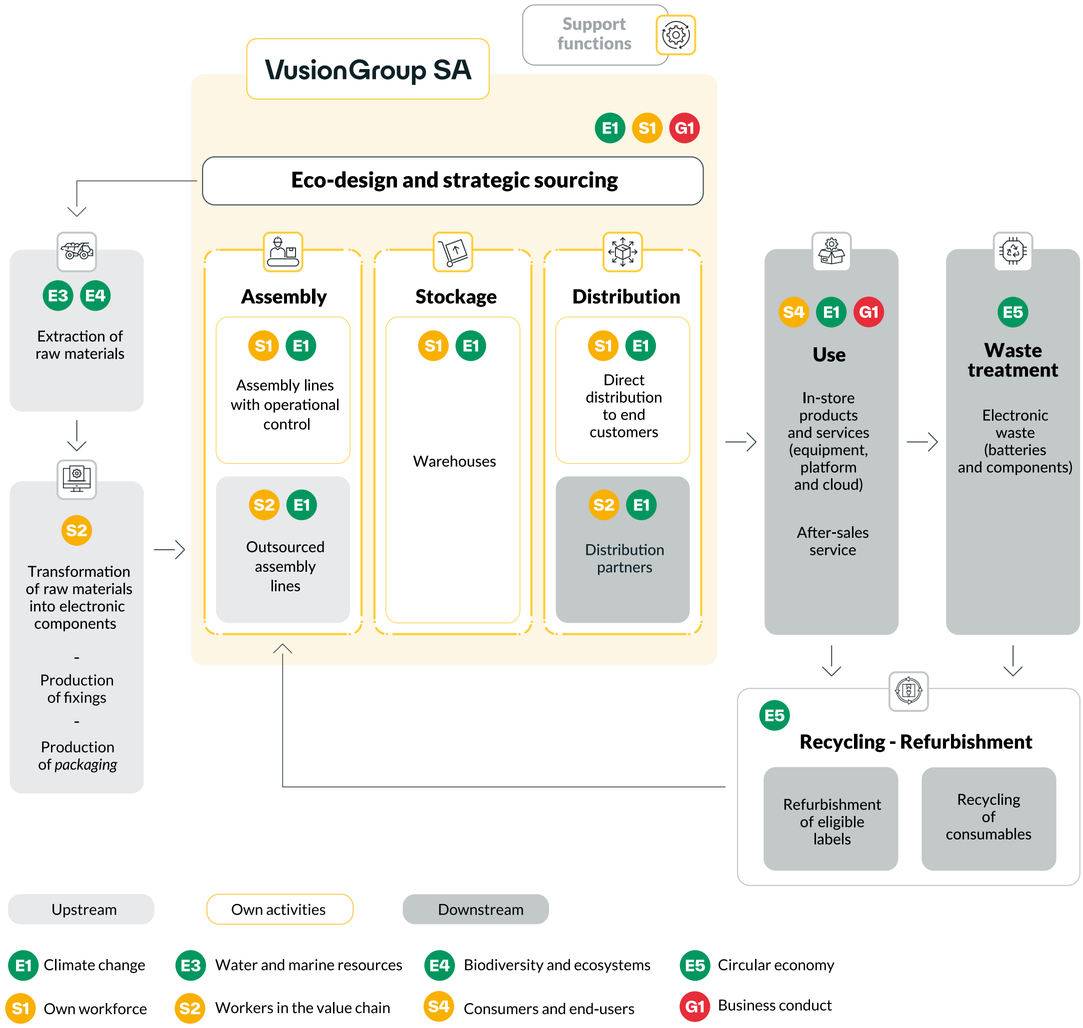
More sustainable retail: an essential contributor to the decarbonization of retail, to achieve the targets set by the Paris Agreements[1]



(1) Diagram drawn up to illustrate the Group's various innovations and developments related to decarbonization. The diagram is based on a store equipped with older generation labels (one battery per label), which do not benefit from the Cloud, require additional cabling or access points to operate, are produced with virgin materials only and are ineligible for the Second Life ESL refurbishment program. The unit of measurement is kg of CO_2 equivalent.

Value chain overview

The VusionGroup value chain is shown diagrammatically below, the material issues having been positioned at the level at which the materiality is expressed.



VusionGroup: main characteristics of the players in the value chain

The top ten customers represented more than 76% of the group's consolidated revenue in 2024. Retail player appetite for digitization solutions is very strong, and more and more brands are embarking on equipment projects for all their store chains, thus leading to the signing of particularly significant contracts every year for one or two successive fiscal years.

The Group can provide digital solutions to customers whose size greatly exceeds its own: the Deloitte report "Global Powers of Retailing 2023"[(1)], analyzing the performance of the world's top 250 retailers, shows revenue of $5 billion [five times more than VusionGroup] for the 250th on the list and €600 billion for the first (Walmart).

On the supplier side, the Group has outsourced all of its equipment production (electronic labels, digital screens, Digital Shelf System, cameras, etc.) to several leading industrial partners specializing in the assembly of electronic products ("External Manufacturing Services" or EMS), and installed assets under its exclusive control within the premises of these same subcontractors.

These suppliers represent the most material purchases (98% of industrial purchases) made by the Group and have activity amounting to billions of euros, or even tens or hundreds of billions of euros.

(1) https://www.deloitte.com/global/en/Industries/consumer/analysis/global-retail-outlook.html

4.1.3.2 Stakeholder interests and views [SBM-2]

Stakeholder engagement

VusionGroup maintains a constant and direct dialog through the various means of communication and interaction described in the table below.

The double materiality exercise, carried out internally by experienced participants representative of the subsidiaries' expectations, made it possible to complete and enrich this list of stakeholders from all of the group's entities. See section 4.1.5.1 for details of workshop participants and their profiles.

The Audit Committee informed the Board of Directors of the expectations of stakeholders during the presentation of the sustainability statement and the double materiality exercise.

VusionGroup communicates on a regular basis with its many stakeholders *via* a range of methods:

Stakeholders	Expectations	Means of dialog	Integration of results into the strategy
Customers	• Understanding the operational, economic and environmental performance needs of our customers; • Quality of service	• Commercial prospecting - Trade shows and exhibitions (several times a year); • Satisfaction survey [NPS® questionnaire] (every six months); • After-sales service (on customer request); • Calls for tenders and contracts.	• Development of product offerings (EdgeSense) and analysis of in-store activity (acquisitions of In The Memory and Belive) - Strengthening of customer support services and offer of new services (turnkey replacement of batteries, etc.).
Partner-distributors	• Collaboration; • Long-term relationships; • Fair compensation.	• Partnership agreements; • Business review twice a year; • NPS® satisfaction survey twice a year.	• Development of the Group in new geographical areas.
Employees	• Training and development; • Change in the best possible environment; • Occupational health and safety; • Well-being at work (fulfillment and achievement of ambitions) and fair compensation; • Ethics; • Equal rights and opportunities ; • Societal values.	• Managerial interview/twice a year; • eNPS® questionnaires/twice a year; • Message from the Chairman/ quarter; • Service meetings/monthly; • Code of Ethics (signature campaign)/annual; • Whistleblowing system (available).	• Choice of premises housing our internal operations, Value sharing through LTI plans, Women management action plan, Training plan, Parenthood action plan.
Trade payables	• Long-term business relationships; • Balanced economic transaction - Fair and ethical treatment; • Clear communication; • Collaboration and innovation.	• Calls for tenders and contractualization (at the request of VusionGroup); • Sustainability assessment questionnaires/annual; • Safety questionnaires/annual; • Regular audits/annual; • Supplier Code of Conduct/ annual; • Whistleblowing system (available).	• Feedback on reciprocal performance (stability of volumes, planning) and economic balance in transactions.
Investors	• Clarity, transparency, and comprehensive governance of financial and sustainability information; • Specific update on the holding of capital by short sellers.	• Investor interviews (Roadshows) 200 per year; • General Meeting/annual; • External assessments (ratings)/ annual.	• Enhanced information within the URD and press releases - the business model includes the development of a service offering to improve the Group's profitability.
Supervisory authorities / Regulator	• Ethics; • Respect for and compliance with laws and regulations; • Respect for the environment and safety.	• Regular contact with the AMF and tax authorities/annual; • Regular statements of formalities; responses to surveys and audits.	• Continuous improvement of compliance - creation of an internal control department.
Communities, society, and the planet	• Responsible socio-economic and environmental practices; • Human Rights and Ethics • Consumer protection and information.	• Partnerships (WBCSD, EcoVadis); • External assessments (ratings)/ annual; • Sector publications and participation in trade fairs and forums (Perifem, NRF).	• Creation of the VusionGroup recycling channel; • Launch of a solution to combat food waste and product traceability (PDi Digital); • Analysis of external assessments (CDP, EcoVadis).

4.1.4 Material impacts, risks and opportunities and their interaction with the business model [SBM-3]

All the impacts, risks and opportunities described below were subject to a double materiality analysis described in section 4.1.5 of this document. No significant current or expected financial impact has been identified at this stage.

4.1.4.1 Resilience of the Group's business model and strategy for material IROs (Impacts, Risks and Opportunities)

The tables below present, by theme and sub-theme, the impacts, risks and opportunities deemed material during the double materiality analysis carried out in 2024,

For each of the (sub) themes, the table indicates:

- whether its impact is positive, negative, a risk (R) or an opportunity (O);
- where it is located in its value chain, i.e. upstream, own activity, or downstream.

All IROs were rated gross, regardless of the mitigation measures implemented by the Group.

Resilience of the strategy and business model with regard to its material impacts and risks

The main gross risks relating to resilience identified during the double materiality analysis carried out in accordance with the CSRD methodology are detailed in the following sections, each of them setting out the areas of resilience established by the Group for each of the gross issues identified.

1
2
3
4
5
6
7
8
9

Issues relating to climate and carbon trajectory

The Group has developed its ambition for sustainable commerce to meet the expectations of its stakeholders, meet the decarbonization needs of its customers, develop an "employer brand" in terms of recruitment or talent retention, and benefit from increased visibility in the capital markets and respond to the allocation policies of certain investment portfolios. This ambition makes it possible to deal with potential reputational risk.

VusionGroup's strategy is to build a business model in line with the Paris Agreements in order to limit global warming to a level below 1.5° C by 2030. The Group's strategy consists of implementing its roadmap for sustainable commerce, which consists of two parts:

- decarbonize its solutions, in order to limit its negative impact;
- help its customers decarbonize through the use cases identified in order to establish potential positive impacts for the climate and to be able to seize the economic opportunities inherent in the sale of these new services.

To do this, the Group makes investments in R&D and invests, where appropriate, in the acquisition of innovative companies in order to diversify its customer service offering: financial planning ensures that sufficient capital is allocated to R&D to advance low-carbon IoT development projects. In terms of operating expenses, the budget forecasts systematically provide for the necessary amounts for consulting fees on subjects related to sustainability and in particular the climate, expenditure on eco-contributions, etc. No carbon tax is currently provisioned in the financial statements.

	Type	Part of the value chain	Probability	Time horizons	ESRS #	Link with the business model.
Material IROs relating to the Group's climate and carbon trajectory						
Risk of financial costs related to investments in the decarbonization of VusionGroup's activities and value chain.	Risks	Own operations	Actual	1 - Short-term	ESRS E1	Budget planning: Planned investments or expenditures in R&D, low-carbon sourcing and management of the circular economy.
Gain customers if VusionGroup's activities are perceived as beneficial in the fight against climate change.	Opportunities	Own operations	Actual	1 - Short-term	ESRS E1	Market share gains: diversified solutions either through partnerships or acquisitions.
Risk of damage to the entity's reputation in the event of a perceived lack of ambition in its strategy to adapt to climate issues. VusionGroup's reliability is at stake if the customer does not perceive our efforts as sufficient to adapt to the future.	Risks	Own operations	Actual	1 - Short-term	ESRS E1	Risk of loss of market share, recruitment difficulties.
Risk of taxes and regulations on imports of products manufactured in Asia/other countries.	Risks	Upstream	Potential	3 - Long term	ESRS E1	Budget planning where applicable, geographical diversification of the upstream value chain.
Negative impact on the environment through the contribution to climate change via GHG emissions (Scopes 1, 2 and 3).	Negative impact	Own operations	Actual	1 - Short-term	ESRS E1	Budget planning: Planned investments or expenditures in R&D, low-carbon sourcing and management of the circular economy.
Retail decarbonization using ESLs to process e-commerce orders more efficiently.	Positive impact	Downstream	Actual	1 - Short-term	ESRS E1	Commercial offering: diversified solutions either through partnerships or acquisitions.
Combating food waste through optimized inventory management + identification and management of expiry dates.	Positive impact	Downstream	Actual	1 - Short-term	ESRS E1	Commercial offering: diversified solutions either through partnerships or acquisitions
Retail decarbonization by impacting distributor assortment.	Positive impact	Downstream	Potential	2 - Medium term	ESRS E1	Commercial offering: diversified solutions either through partnerships or acquisitions.

Issues relating to circular economy, incoming and outgoing resources

The financial risks arising from issues relating to the circular economy are already recorded in the Group's financial statements. The Group ensures compliance with European and national standards in terms of producer responsibility and, in fact, contributes to the financing of electronic waste recovery systems, of batteries and cells, in order to limit the environmental impact at the end-of-life destruction stage. The Group also seeks to organize the recovery of used equipment by creating its own used label channel, in order to seize the opportunity to generate new service offers such as battery exchanges, reconditioning, and recycling processes to reintegrate our components.

The Group has included a range of services in its offering, classified, in particular, in the "VAS" or Value Added Services category, in the presentation of its revenue.

The creation of this new offering runs the risk of not finding commercial outlets for these ranges of reconditioned equipment, resulting in storage costs and depreciation of the labels.

	Type	Part of the value chain	Probability	Time horizons	ESRS #	Link with the business model
Material IROs relating to the circular economy and inbound resources						
Risk of financial costs related to the producer's liability when selling a new product	Risks	Downstream	Actual	2 - Medium term	ESRS E5	Budgetary planning of costs inherent to the regulations of the sector of activity
Lack of insight into market requirements / demands for refurbished ESLs, resulting in storage costs and label depreciation	Risks	Downstream	Actual	1 - Short-term	ESRS E5	Budgetary planning of costs inherent to non-revolving inventories
Opportunity to generate new service offerings such as battery exchanges, reconditioning, and recycling processes to reintegrate our components	Opportunities	Own operations	Actual	1 - Short-term	ESRS E5	Commercial offering: service solutions to initiate the circularity cycle
Negative impact on ecosystems due to the release of resources resulting in hazardous substances, polluting emissions, toxic waste or discharges into the environment.	Negative impact	Upstream, Downstream	Actual	1 - Short-term	ESRS E2	Upstream value chain assessment; communication on waste management systems to our customers

1
2
3
4
5
6
7
8
9

Issues relating to the value chain

Climate risk can lead to a risk of disruption of the group's supply chains due to tensions or even shortages of strategic raw materials: the group integrates this financial and business continuity risk into its organization, within the strategic purchasing department, which systematically applies a "multi-sourcing" policy designed to reduce the group's sensitivity to these disruptions.

The resulting changes in production costs are included in the budget forecasts.

The way in which the activity is conducted within the group's upstream value chain, certain phases of which include mining and metal purification steps, in order to produce electronic components, could have an effect on:

- access to water for surrounding communities;
- biodiversity, ecosystems, water management;
- own worker health and safety in this value chain.

For several years now, the group has included the assessment of the score relating to social practices and respect for human rights of its tier 1 and 2 "industrial" suppliers in its supplier selection and evaluation process, through, in particular, EcoVadis questionnaires and external evaluations.

With regard to the impacts on water and marine resources, in 2024 the group initiated investigations relating to the material impacts identified during the DMA, by first analyzing the available sectoral reference databases in order to target the questionnaires and/or certification requests to be sent to its upstream suppliers in the future.

The current and expected financial effects are included in the recurring approach that the Industrial Purchasing Department carries out:

- multiply sources of supply in order to combat dependence on a small group of suppliers or a single supplier;
- select suppliers that meet our eligibility criteria, particularly in terms of sustainability but also delivery capacity, price, etc.

	Type	Part of the value chain	Probability	Time horizons	ESRS #	Link with the business model
Material IROs relating to the value chain						
Negative impact on water resources in the value chain (depletion, drying up of bodies of water, salt water intrusion) due to excessive water withdrawal, particularly in areas subject to water stress.	Negative impact	Upstream	Actual	1 - Short-term	ESRS E3	Upstream value chain assessment,
Negative impact on ecosystems and biodiversity related to the extraction and processing of raw materials in the value chain, which may cause environmental degradation, including habitat destruction, pollution, deforestation, soil erosion and water contamination.	Negative impact	Upstream	Actual	1 - Short-term	ESRS E4	Upstream value chain assessment
Risk of disruption of the Group's supply chains due to tensions or shortages of strategic raw materials or physical risks	Risks	Upstream	Actual	1 - Short-term	ESRS E1	Budget planning: analysis of the effect of supply tensions on the Group's margin,
Negative contribution to health and safety, human rights, appropriate compliance, due diligence across our supply chain (including conflict minerals, child exploitation and labor)	Negative impact	Own operations, Front End, Back End	Potential	1 - Short-term	ESRS S2	Upstream value chain assessment

1
2
3
4
5
6
7
8
9

Issues relating to the group's workforce

The management of IROs relating to the Group's workforce is very clearly integrated in the Group's strategy through the implementation of various action plans in favor of value sharing, life balance as well as the feminization of managerial teams: the Group pilots the employee satisfaction index or eNPS®[1] every six months in order to be responsive quickly, if necessary.

The current and expected financial effects are included in the recurring approach that the human resources department carries out:

- as part of its action plans to promote good managerial dialog;
- as part of its work-life balance action plans.

	Type	Part of the value chain	Probability	Time horizons	ESRS #	Link with the business model
Material IROs relating to the workforce of our operations						
Transparency and confidence in the managerial dialog that would attract and retain our employees.	Opportunities	Own operations	Actual	1 - Short-term	ESRS S1	Management of action plans to promote managerial dialog and an attractive working environment.
Attracting employees through multi-faceted staff (nationalities, cultures, ages) and equal rights.	Opportunities	Own operations	Actual	1 - Short-term	ESRS S1	Management of action plans to promote managerial dialog and an attractive working environment.
Risk of employee departure and/or difficulties in attracting and retaining employees due to poor working conditions.	Risks	Own operations	Actual	1 - Short-term	ESRS S1	Management of action plans to promote managerial dialog and an attractive working environment.
Infringement of employees' rights as defined by the ILO in case of poor working conditions.	Negative impact	Own operations	Potential	1 - Short-term	ESRS S1	Management of action plans to promote managerial dialog and a working environment that provides good safety and remuneration conditions.
Violation of employees' human rights in the event of unequal treatment, harassment and / or violence.	Negative impact	Own operations	Potential	1 - Short-term	ESRS S1	Management of action plans to promote managerial dialog and a working environment that provides good safety and remuneration conditions.

(1) The e NPS®, acronym for Employee Net Promoter Score, is an indicator that measures the likelihood that your employees will recommend your organization as a workplace.

Issues relating to consumer issues

Promoting the positive impact of transparent information for the end consumer is an integral part of the Group's strategy, not only as part of its standard role in displaying its product ranges, but also in the many initiatives and partnerships it has launched:

- technological initiatives to multiply the channels of interaction with the end consumer;
- partnerships to develop interfaces with databases that are richer in consumer information.

The current and expected financial effects are included in the Group’s recurring approach in terms of seeking technological and functional partnerships in order to continuously enrich the range of possible services and functionalities.

	Type	Part of the value chain	Probability	Time horizons	ESRS #	Issues	Link with the business model
Material IROs related to the community and consumers							
Ensure transparency of information (price, origin, etc.) for the end consumer.	Positive impact	Downstream	Actual	1 - Short-term	ESRS S4	Consumers and end-users.	Reliability of marketed solutions.

Business conduct issues

The group conducts its activities according to the strictest integrity and ethical standards (fight against corruption, forced labor, intellectual property infringement, etc.), as reflected in our Code of Ethics, which provides the framework for working together, interacting with customers, reaching out to shareholders, collaborating with our business partners, and creating value for all our stakeholders. Compliance with contractual commitments to suppliers is one of its standards.

The Group has a roadmap dedicated to building resilience to cyber risk, including data leaks. In early 2023, it obtained ISO 27001 certification.

	Type	Part of the value chain	Probability	Time horizons	ESRS #	Link with the business model
Material IROs relating to governance (IT security and payment terms)						
Risk of interruptions in the supply chain that could affect the availability of products or services for customers, resulting in dissatisfaction, due to supplier relationship management issues, including late payments or litigation.	Risks	Own operations, Front End, Back End	Potential	1 - Short-term	ESRS G1	Deterioration in the fluidity of supply.
IT security breaches that could lead to an interruption of activities within the Group’s own operations: IT systems may be decommissioned to contain the breach and repair the damage, recover or restore information.	Risks	Own operations	Actual	1 - Short-term	ESRS G1	Internal disorganization or interruption of our services.
Legal risk and reputational risk (decrease in customer attraction, recruitment difficulties) if the Group were to be subject to a sanction resulting from an ethical breach or corruption within its own operations.	Negative impact	Own operations	Actual	1 - Short-term	ESRS G1	Disorganization and risks of dissatisfaction and dissatisfaction of the stakeholders concerned.

4.1.5 Management of IROs and double materiality [ESRS2 IRO-1; IRO-2]

4.1.5.1 Methodology for the double materiality analysis [IRO-1; IRO-2]

Methodology and assumptions used

Process to identify, assess and prioritize potential impacts, risks and opportunities related to sustainability issues

The mapping of impacts, risks and opportunities consists of identifying, assessing and prioritizing:

- the impacts that the Group may have on society and the environment through its activity; and
- the risks and opportunities related to sustainability issues that may affect the performance of the Company, its reputation or its stakeholders.

This mapping makes it possible to identify material issues for VusionGroup and its stakeholders and thus to prioritize the policies to be implemented and the associated action plans to best manage material issues.

The identification of risks related to sustainability issues differs in particular from the identification of risk factors described in section 2 of this URD, in that it is valued “gross” and not “net”. However, the scales and criteria as well as the time horizons are homogeneous for the two assessment exercises. Thus, the double materiality analysis is part of the more general framework of risk factors specific to the Group’s business. The summary table below maps the links between risk factors and material IROs for VusionGroup.

The impacts, risks and opportunities (IROs) related to sustainability were identified and rated by around twenty Group managers, experts in their specialty and responsibilities, taking into account:

- their knowledge of stakeholders’ expectations in their respective management areas;
- their knowledge of the specificities of all subsidiaries;
- very clearly defined scale, scope, probability of occurrence and timing criteria, so as to ensure the consistency and homogeneity of the assessments;
- external publications, in particular concerning the effects of the production chain of electronic components on water and biodiversity.

Various evaluation workshops were organized during the second half of 2024, with the support of the Sustainability Department.

This review of the potential impacts and risks of the Group’s activities was carried out according to the themes, sub-themes and sub-sub-themes of RA 16 [ESRS 1], to prepare the Group’s sustainability reporting to regulatory requirements. The prevalence of severity over the probability of occurrence was taken into account during the human rights assessments.

The experts who took part in this analysis are:

- the Director of Human Resources and one of their employees in charge of remuneration;
- the Director of Industrial Purchasing, the Director of Product Quality, the Director of Strategic Procurement, the Production Director;
- the Director of Operations, the Director of Methods and Quality;
- the Director of Partnerships;
- the Customer Service Director;
- the Head of Risk Management and Insurance;
- the Internal Control and Audit Director;
- the Chief Financial Officer, the Director of Legal Affairs, the Director of Management Control, the Director of Information Systems and the Director of Software Development.

Each IRO was assessed using the combination of the scales and rating criteria described below (tables), the materiality threshold defined by the Group being 2.2 on a scale of 4.

The results of this work carried out on each scope were systematically shared with the experts of the Finance Department (risk management, internal control) in order to strengthen the consistency of the IROs and their materiality.

Compared to previous sustainability publications (DPEF), the new material challenges are mainly due to the consideration of issues concerning the upstream and downstream value chain:

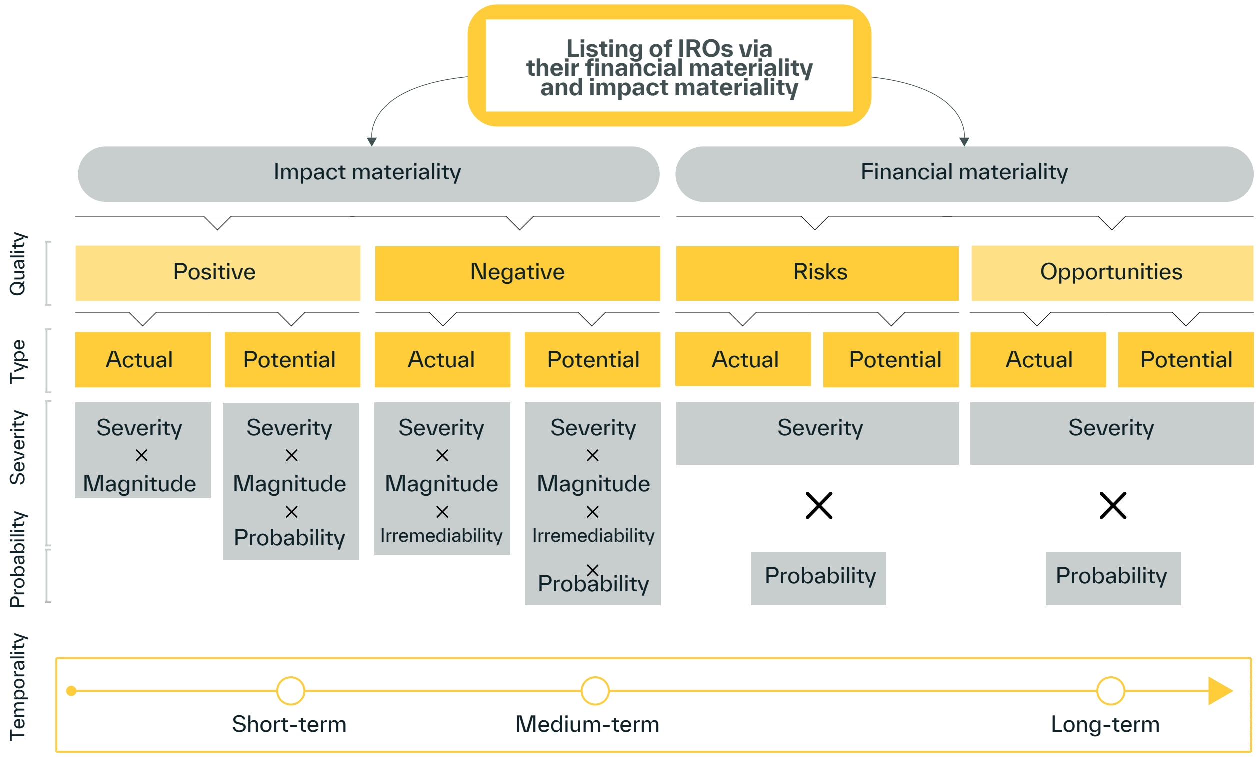
Upstream

in addition to the issues of respect for human rights in terms of health and safety at work and business ethics, which were already subject to reporting on indicators (VusionGroup based its double materiality assessment on available segment information - Labor Rights Index by country), new impacts or risks appeared during the double materiality analysis:

- impacts related to water withdrawal in the value chain;
- the impact on ecosystems, biodiversity, due to mining at the origin of the production process, discharge of hazardous substances, then water management within the upstream value chain.

Downstream

- the positive impact of reliable information, displayed by our solutions for the benefit of the end consumer, in-store.



The table below summarizes the way in which the material IROs fit into the assessment of the Group's risk factors, presented in section 2.1 of this URD:

Material IROs	IRO	Issues	Risk factors
Risk of financial costs related to investments in the decarbonization of VusionGroup's activities and value chain.	R	ESRS E1	2.1.1.1 Market competitiveness and 2.1.1.5 Technological disruption and 2.1.1.6 Climate and decarbonization and 2.1.3.1 Intellectual property
Gain customers if VusionGroup's activities are perceived as beneficial in the fight against climate change.	O	ESRS E1	2.1.1.1 Market competitiveness and 2.1.1.6 Climate and decarbonization
Risk of taxes and regulations on imports of products manufactured in Asia.	R	ESRS E1	2.1.2.2 Component sourcing and 2.1.1.2 Geopolitical tensions
Risk of damage to the entity's reputation in the event of a perceived lack of ambition in its strategy to adapt to climate issues. VusionGroup's reliability is at stake if the customer does not perceive our efforts as sufficient to adapt to the future.	R	ESRS E1	2.1.1.1 competitiveness and 2.1.1.6 Climate and decarbonization
Negative impact on the environment by contributing to climate change via GHG emissions (Scopes 1, 2 and 3).	I	ESRS E1	2.1.1.6 Climate and decarbonization
Retail decarbonization using ESLs to process e-commerce orders more efficiently.	I	ESRS E1	2.1.1.4 Products and services
Combating food waste through optimized inventory management + identification and management of expiry dates.	I	ESRS E1	2.1.1.6 Climate and decarbonization and 2.1.1.4 Products and services
Retail decarbonization by impacting distributor assortment.	I	ESRS E1	2.1.1.6 Climate and decarbonization and 2.1.1.4 Products and services
Negative impact on ecosystems due to the discharge of resources resulting in hazardous substances, polluting emissions, toxic waste or discharges into the environment	I	ESRS E2	2.1.1.6 Climate and decarbonization
Negative impact on water resources in the value chain (depletion, drying up of water bodies, salt water intrusion) due to an excessive withdrawal of water, particularly in water-stressed regions.	I	ESRS E3	2.1.1.6 Climate and decarbonization

Material IROs	IRO	Issues	Risk factors
Negative impact on ecosystems and biodiversity related to the extraction and processing of raw materials in the value chain, which may cause environmental degradation, including habitat destruction, pollution, deforestation, soil erosion and water contamination.	I	ESRS E4	2.1.1.6 Climate and decarbonization
Risk of disruption of the Group's supply chains due to tensions or even shortages of strategic raw materials.	R	ESRS E1	2.1.1.2 Geopolitical tensions and 2.1.1.6 Climate and decarbonization and 2.1.2.2 Component sourcing and 2.1.2.5 Quality
Risk of financial costs related to the producer's liability when selling a new product.	R	ESRS E5	2.1.1.6 Climate and decarbonization
Lack of insight into market requirements / demands for refurbished ESLs, resulting in storage costs and label depreciation.	R	ESRS E5	2.1.2.6 Business forecasts
Opportunity to generate new service offerings such as battery exchanges, reconditioning, and recycling processes to reintegrate our components.	O	ESRS E5	2.1.1.1 Market competitiveness and 2.1.1.4 Products and services
IT security breaches that could lead to an interruption of activities within the Group's own operations: IT systems may be shut down to contain the breach and repair the damage, recover or restore information.	R	ESRS G1	2.1.2.1 Cyber attacks
Risk of interruptions in the supply chain that could affect the availability of products or services for customers, resulting in dissatisfaction, due to supplier relationship management issues, including late payments or litigation.	R	ESRS G1	2.1.2.2 Component sourcing
Legal and reputational risk (decrease in customer attraction, recruitment difficulties) if the Group were subject to a sanction due to an ethical breach or corruption within its own operations.	I	ESRS G1	2.1.2.1 Cyber Attacks and 2.1.3.3 Ethics and compliance
Transparency and confidence in the managerial dialog that would attract and retain our employees.	O	ESRS S1	2.1.2.8 Attracting and retaining technical skills and 2.1.2.7 Key personnel
Risk of employee departure and / or difficulties in attracting and retaining employees due to poor working conditions.	R	ESRS S1	2.1.2.7 Key personnel and 2.1.2.8 Attraction and technology skills
Attracting employees through multi-faceted staff (nationalities, cultures, ages) and equal rights.	O	ESRS S1	2.1.2.7 Key personnel and 2.1.2.8 Attraction and technology skills and 2.1.3.3 Ethics and compliance
Infringement of employees' rights as defined by the ILO in case of poor working conditions.	I	ESRS S1	2.1.2.7 Key personnel and 2.1.2.8 Attraction and technology skills and 2.1.3.3 Ethics and compliance
Violation of employees' human rights in the event of unequal treatment, harassment and / or violence.	I	ESRS S1	2.1.2.7 Key personnel and 2.1.2.8 Attraction and technology skills and 2.1.3.3 Ethics and compliance
Negative contribution to health and safety, human rights, appropriate compliance, due diligence across our supply chain (including conflict minerals, child exploitation and labor).	I	ESRS S2	2.1.1.6 Climate and decarbonization and 2.1.2.7 Key personnel and 2.1.2.8 Attraction and technology skills and 2.1.3.3 Ethics and compliance
Ensure transparency of information (price, origin, etc.) for the end consumer.	I	ESRS S4	2.1.1.4 Products and services

Rating scales:

	Financial	Regulatory	Reputation	Customer satisfaction	Business continuity	Employee expectations	Investor expectations
4 - Critical	Impact on sales > €50 million // Group EBITDA > €10 million	Significant and prolonged disruption of services	Extensive negative media coverage // Boycott // Global impact	Very high customer expectations, which can lead to significant revenue loss	Long-term impact	Massive departures of staff, open conflicts in the relationship	Massive departures of investors, open conflicts in the relationship
3 - Major	Impact on sales > €10 million // Group EBITDA > €5 million	Fine and interruption of services	Limited negative coverage in multinational media // Multinational impact	High customer expectations that can lead to mistrust of brands and proven loss of revenue	Medium-term impact	Departures of employees, deterioration of confidence in the medium term. Poor employee performance (investment).	Investor departures, medium-term deterioration in confidence
2 - Moderate	Impact on sales > €5 million // Group EBITDA > €1 million	Fine but no interruption of service	Extensive negative coverage in national // specialized media // National impact	Rising customer expectations that may lead to negative buzz and minimal revenue loss	Short-term impact	Departure of some employees, short-term deterioration in confidence	Departure of some investors, deterioration in short-term confidence
1 - Minor	Impact on sales < €1 million // Group EBITDA > €100 thousand	No fines or interruption of services	Series of negative articles in the local / regional // specialized press // Local / regional impact	Little or no impact, low customer expectations	Minor impact	Marginal departures and retention difficulties, localized impact on relationships	Marginal departures and retention difficulties, localized impacts on relationships

Environment

Severity	4 - Critical	Significant impact on the quality / quantity of affected natural resources.
	3 - Major	Significant impact on the quality / quantity of affected natural resources.
	2 - Moderate	Visible but moderate impact on natural resources.
	1 - Minor	Little or no impact.
Magnitude	4 - Critical	Global impact.
	3 - Major	Multinational impact.
	2 - Moderate	National impact.
	1 - Minor	Local or regional impact.
Irremediability	4 - Critical	Impacts are final.
	3 - Major	The impacts require significant resources (human, technological, financial, etc.) to be remedied.
	2 - Moderate	The impacts require few resources (human, technological, financial, etc.) to be remedied.
	1 - Minor	The impacts are insignificant, with no significant costs or resources to commit.

Human rights

Severity	4 - Critical	Infringements of ILO fundamental rights and / or infringements of the rights of vulnerable people (children, indigenous peoples, etc.).
	3 - Major	Violations of other human rights (personal data of employees and others, etc.) outside vulnerable populations.
	2 - Moderate	N/A
	1 - Minor	N/A
Magnitude	4 - Critical	Value chain: Several thousand individuals - internal workforce > 20%.
	3 - Major	Value chain: Several hundred individuals - 5% > internal workforce > = 20%.
	2 - Moderate	A few dozen individuals.
	1 - Minor	Some individuals.
Irremediability	4 - Critical	Impacts are final.
	3 - Major	The impacts require significant resources (human, technological, financial, etc.) to be remedied.
	2 - Moderate	The impacts require few resources (human, technological, financial, etc.) to be remedied.
	1 - Minor	The impacts are insignificant, with no significant costs or resources to commit.

Health and safety

Severity	4 - Critical	Irreversible harm to the physical and / or psychological integrity of patients / employees / third parties / Endangering life / Death.
	3 - Major	Serious and prolonged injury or severely compromised mental health of patients / employees / third parties.
	2 - Moderate	Slight and temporary harm to the physical / psychological integrity of patients / employees / third parties.
	1 - Minor	Occasional damage to the physical / psychological integrity of patients / employees / third parties.
Magnitude	4 - Critical	Value chain: Several thousand individuals - internal workforce > 20%.
	3 - Major	Value chain: Several hundred individuals - 5% > internal workforce > = 20%.
	2 - Moderate	A few dozen individuals.
	1 - Minor	Some individuals.
Irremediability	4 - Critical	Impacts are final.
	3 - Major	The impacts require significant resources (human, technological, financial, etc.) to be remedied.
	2 - Moderate	The impacts require few resources (human, technological, financial, etc.) to be remedied.
	1 - Minor	The impacts are insignificant, with no significant costs or resources to commit.

4.1.5.2 Double materiality matrix [ESRS2. IRO-1]

Summary of the double materiality analysis

Pillar (or ESRS)	Issues	Impact materiality	Financial materiality
ESRS E1	Climate change	Negative impact on the environment by contributing to climate change via GHG emissions (Scopes 1, 2 and 3)	Risk of financial costs related to investments in the decarbonization of VusionGroup's activities and value chain
ESRS E1	Climate change	Retail decarbonization using ESLs to process e-commerce orders more efficiently	Gain customers if VusionGroup's activities are perceived as beneficial in the fight against climate change
ESRS E1	Climate change	Combating food waste through optimized inventory management + identification and management of expiry dates	Risk of taxes and regulations on imports of products manufactured in Asia/other countries.
ESRS E1	Climate change	Retail decarbonization by impacting distributor assortment	Risk of damage to the entity's reputation in the event of a perceived lack of ambition in its strategy to adapt to climate issues. VusionGroup's reliability is at stake if the customer does not perceive our efforts as sufficient to adapt to the future.
ESRS E1	Climate change		Risk of disruption of the Group's supply chains due to tensions or even shortages of strategic raw materials
ESRS E2	Pollution	Negative impact on ecosystems due to the release of resources resulting in hazardous substances, polluting emissions, toxic waste or discharges into the environment	Risk of financial costs related to the producer's liability when selling a new product
ESRS E3	Water and marine resources	Negative impact on water resources in the value chain (depletion, drying up of bodies of water, salt water intrusion) due to excessive water withdrawal, particularly in areas subject to water stress.	
ESRS E4	Biodiversity and ecosystems	Negative impact on ecosystems and biodiversity related to the extraction and processing of raw materials in the value chain, which may cause environmental degradation, including habitat destruction, pollution, deforestation, soil erosion and water contamination.	
ESRS E5	Circular economy		Risk of financial costs related to the producer's liability when selling a new product.
ESRS E5	Circular economy		Lack of insight into market requirements/ demands for refurbished ESLs, resulting in storage costs and label depreciation.
ESRS E5	Circular economy		Opportunity to generate new service offers such as battery exchanges, refurbishment, recycling processes to reintegrate our components.
ESRS S1	Own workforce	Infringement of employees' rights as defined by the ILO in case of poor working conditions	Transparency and confidence in the managerial dialog that would attract and retain our employees
ESRS S1	Own workforce	Violation of employees' human rights in the event of unequal treatment, harassment and / or violence	Risk of employee departure and / or difficulties in attracting and retaining employees due to poor working conditions
ESRS S1	Own workforce		Attracting employees through multi-faceted staff (nationalities, cultures, ages) and equal rights

Pillar (or ESRS)	Issues	Impact materiality	Financial materiality
ESRS S2	Workers in the value chain	Negative contribution to health and safety, human rights, appropriate compliance, due diligence across our supply chain (including conflict minerals, exploitation and child labor).	
ESRS S4	End consumers	Ensure transparency of information (price, origin, etc.) for the end consumer	
ESRS G1	Governance	Legal risk and reputational risk (decrease in customer attraction, recruitment difficulties) if the Group were to be subject to a sanction resulting from an ethical breach or corruption within its own operations.	IT security breaches that could lead to an interruption of activities within the Group's own operations: IT systems may be decommissioned to contain the breach and repair the damage, recover or restore information.
ESRS G1	Governance		Risk of interruptions in the supply chain that could affect the availability of products or services for customers, resulting in dissatisfaction, due to supplier relationship management issues, including late payments or litigation.

4.1.5.3 Material issues [IRO-2]

ESRS data point concordance table

DR	Name	Section
Climate change ESRS E1		
E1 GOV3	Integration of sustainability performance into the pay mechanism	4.1.2.3
E1 SBM3	Impacts, risks and opportunities - interactions with strategy and business model	4.1.3.1
DR E1-1	Decarbonization plan for climate change mitigation	4.2.1.1
DR E1-2	Climate change mitigation and adaptation policies	4.2.1.4
DR E1-3	Actions and resources related to climate change mitigation and adaptation	4.2.1.5
DR E1-4	Climate change mitigation and adaptation objectives	4.2.1.6
DR-E1-5	Energy consumption	4.2.1.6
DR E1-6	Gross Scopes 1, 2, 3 GHG emissions and total GHG emissions	4.2.1.6
ESRS E2 Pollution		
DR E2-2	Actions and resources related to pollution	4.2.2.3
ESRS E3 Water and marine resources		
DR E3-2	Actions and resources related to biodiversity and ecosystems	4.2.3.2
DR E3-3	Water and marine resources targets	4.2.3.3
ESRS E4 Biodiversity and ecosystems		
DR E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	4.2.4.1
DR E4-3	Actions and resources related to biodiversity and ecosystems	4.2.4.4
DR E4-4	Biodiversity and ecosystem targets	4.2.4.5
ESRS E5 Use of resources and circular economy		
DR E5-1	Policies related to resource use and circular economy	4.2.5.2
DR E5-2	Actions and resources related to resource use and circular economy	4.2.5.3
DR E5-3	Policies related to resource use and the circular economy	4.2.5.4
DR E5-4	Resource inflows	4.2.5.4
DR E5-5	Resources outflows	4.2.5.4

DR	Name	Section
Own workers ESRS S1		
S1 SBM-2	Interests and views of stakeholders	4.3.1.1
S1 SBM-3	Impacts, risks and opportunities - interactions with strategy and business model	4.3.1.2
DR S1-1	Own workforce policies	4.3.1.3
DR S1-2	Engagement process with workers and their representatives about impacts	4.3.1.4
DR S1 3	Processes to remediate negative impacts and channels for workers to raise concerns	4.3.1.5
DR S1-4	Take measures in the event of material impacts on own workforce, approaches to mitigate significant risks and seize material opportunities related to own staff, as well as the effectiveness of these actions.	4.3.1.6
DR S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.3.1.7
DR S1-6	Characteristics of the undertaking's employees	4.3.1.7
DR S1-7	Characteristics of the undertaking's non-salaried employees	4.3.1.7
DR S1-8	Collective bargaining coverage and social dialog	4.3.1.7
DR S1-9	Diversity metrics	4.3.1.7
DR S1-10	Adequate wages	4.3.1.7
DR S1-11	Social protection	4.3.1.7
DR S1-13	Training and skills development measures	4.3.1.7
DR S1-14	Health and safety indicators	4.3.1.7
DR S1-15	Work-life balance measures	4.3.1.7
DR S1-16	Remuneration metrics (pay gap and total remuneration)	4.3.1.7
DR S1-17	Incidents, complaints and severe human rights impacts	4.3.1.7
Workers in the value chain ESRS S2		
S2 SBM2	Interests and views of stakeholders	4.3.2.1
SD S2-1	Policies related to value chain workers	4.3.2.3
DR S2-2	Processes for engaging with value chain workers about impacts	4.3.2.4
DR S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	4.3.2.4
DR S2-4	Measures to be taken in the event of material impacts on value chain workers, and approaches to manage material risks and seize material opportunities related to value chain workers, as well as effectiveness of these actions.	4.3.2.4
DR S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.3.2.5
ESRS S4 Consumers and end users		
DR S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.3.3
ESRS G1 Business conduct		
DR G1-1	Corporate culture and business conduct and corporate culture policies	4.4.1.3
DR G1-2	Management of relationships with suppliers	4.4.1.5
DR G1-3	Prevention and detection of corruption and bribery	4.4.1.4
DR G1-4	Confirmed incidents of corruption or bribery	4.4.1.4
DR G1-6	Payment practices	4.4.1.5
	IT security (entity specific)	4.4.2.5

Issues considered as material (RA-16)

	Sustainable development issues		
Standards	**Issues**	**Sub-issues**	**Sub-sub-issues**
ESRS E1	Climate change	Climate change adaptation	Climate change adaptation
		Climate change mitigation	Climate change mitigation
ESRS E2	Pollution	Soil pollution	Soil pollution
ESRS E3	Water and marine resources	Water and marine resources	Water discharge
			Water withdrawal
ESRS E4	Biodiversity and ecosystems	Impacts on the extent and condition of ecosystems	Soil degradation
ESRS E5	Circular economy	Resource inflows, including resource use	Resource inflows, including resource use
		Resource outflows related to products and services	Resource outflows related to products and services
ESRS S1	Own workforce	Working conditions	Secure employment
			Working time
			Adequate wages
			Work-life balance
		Equal rights and opportunities for all	Gender equality and equal pay for work of equal value
			Training and skills development
			Measures against violence and harassment in the workplace
			Equal rights
ESRS S2	Workers in the value chain	Working conditions	Secure employment
			Working time
			Health and safety
		Other work-related rights	Child labor
			Forced labor
ESRS S4	Consumers and end-users	Information-related impacts for consumers and / or end-users	Access to (quality) information
ESRS G1	Business conduct	Corporate culture	Corporate culture
		Management of relationships with suppliers including payment practices	Management of relationships with suppliers including payment practices
ESRS G1	Business conduct	Anti-corruption	
ESRS G1	Entity-specific topic	Cyber security	Cyber security

4.2 Environmental information [E1, E2, E3, E4, E5]

4.2.1 Climate change [E1]

The Group's goal in the face of climate change is to reduce its impact on the environment but also to enable its customers to decarbonize. VusionGroup's Climate strategy is based on these two main pillars: innovating in favor of a low-carbon IoT, and contributing to the decarbonization of retail.

4.2.1.1 Decarbonization plan for climate change mitigation [E1-1]

VusionGroup renewed its support for the United Nations Global Compact and confirmed its climate action in accordance with the Paris Agreement, by validating its short-term decarbonization objectives with the Science Based Target Initiative (SBTi) in November 2024. Its objectives are detailed in Section 4.2.1.6 and are as follows:

- Decrease in absolute value the sum of its Scope 1 and Scope 2 eqCO_2 emissions by -42% by 2030, compared to 2022;
- Reduce the intensity of its Scope 3 (Scope 3 eqCO_2 emissions/variable cost margin) by -51.6% by 2030, compared to 2022, *via* purchases of goods and services, transport of products sold, business travel, work-home travel, as well as the use of products sold. The targets in absolute terms are presented in section 4.2.1.6. As a reminder, this objective in absolute value is part of a context of very strong growth for VusionGroup.

These objectives frame the Group's ambition to decarbonize the distribution sector by offering less carbon-intensive, more sustainable and better-designed solutions.

VusionGroup has not yet established a long-term transition plan for 2050. Indeed, the Group is initially focusing on decarbonizing its activities, before committing to achieving neutrality.

Our strategy to reduce GHG emissions by 2030 is based on four major themes, detailed in depth in section 4.2.1.5 [E1-3]:

- **Promotion of renewable energies:**
  - Ambition of a 100% electric car policy for certain positions and functions,
  - Purchase of Renewable Energy Certificates,
- **Less emitting components, designs and services:**
  - Investment in the eco or modular design of our products and services (modularity and decarbonization of the component nomenclature),
  - Pooling of the battery within our EdgeSense rail, allowing an average of seven labels to be powered by a single battery,
  - In-store use phase that consumes less energy,
  - A business plan where the share of software services sales is increasing (Cloud platform, data analysis via Memory and Captana, etc.).
- **Circular economy:**
  - Integration of recycled materials into our products and packaging,
  - "Second Life" refurbishment program to allow our electronic labels to double their lifespan, and also to allow the reuse of components in good condition if the label is no longer usable;
- **Commitment of our suppliers:**
  - Evaluation of our suppliers *via* the Ecovadis platform,
  - Setting sustainability prerequisites and objectives as described in section 4.3.2.5.

In 2024, VusionGroup reduced its Scope 1 by -20% and its Scope 2 (market-based) by -2% thanks to Renewable Energy Certificates, the use of which is planned by the Science Based Target Initiative.

In total, VusionGroup achieved a -13.4% reduction in absolute value on its first decarbonization target (Scope 1 + Scope 2) compared to 2022.

On its carbon intensity target, the Company continues on a downward trend compared to 2022 (-25.4%). This change underlines the Group's commitment to meeting its decarbonization targets by 2030.

To give itself the means to achieve its objectives by 2030, the Group has invested a total of €4.6 million in 2024, in all of these items:

- In its human capital, with a significant payroll dedicated to the implementation and development of its decarbonization plan (Sustainability team, R&D team, risk management, internal control, team in charge of the "Second Life ESL" program, support from a member of the Management Control team, etc.);
- In consulting and support services, by specialized firms;
- In assessment and audit services by independent third parties (Science-Based Target initiative, Ecovadis, Carbon Disclosure Project, etc.);
- In training sessions dedicated to raising the awareness of the Company's employees (Climate Fresk), the training of technical teams (life cycle analysis, decarbonization of the product nomenclature), and the training of the Sustainability team;
- In the "Second Life" program to sort and recondition end-of-life labels;
- In the purchase of Renewable Energy Certificates.

In accordance with European Regulation 2020/852 of June 18, 2020 on the establishment of a framework to promote sustainable investments in the European Union, the Group publishes the share of turnover and opex and capex expenditures from products or services associated with economic activities aligned with taxonomic environmental objectives.

In 2024, €38.3 million in turnover was eligible but not aligned with the European Taxonomy (see section 4.2.6). This eligible turnover includes the sale of refurbished labels as part of our Second Life program, as well as the turnover generated by our VusionCloud platform.

VusionGroup has identified locked-in emissions following the transition of assembly lines to its exclusive control in 2024. These locked-in emissions are visible in the evolution of the Group's Scope 2 GHG emissions and represent less than 0.1% of the Group's total carbon footprint.

VusionGroup is not involved in economic activities related to oil, coal or gas.

Our plan to reduce GHG emissions by 2030 is aligned with our sustainability, financial and operational objectives.

Our GHG reduction plan is approved by the Strategy and ESG Committee as well as by the Executive Committee (see 4.1.2.1 and 4.1.2.2).

In terms of financial planning:

- A budget is dedicated to implementing our decarbonization plan: this includes investments in the eco-design of our solutions (more than 30% of VusionGroup employees are part of the R&D department), in the commitment of our strategic suppliers for a more virtuous product nomenclature and a sustainable supply chain, as well as in the use of renewable energies.
- Several remuneration indicators are directly based on environmental performance. For example, part of the variable remuneration of the Chairman and Chief Executive Officer and one of the criteria for triggering the free share plan for Group employees depend on them. This information is detailed in 4.1.2.3 Sustainability remuneration [ESRS2 GOV3].

In terms of operational integration:

- Our plan to reduce GHG emissions by 2030 is developed and then implemented through collaboration between various departments (R&D, Finance, Commercial, Strategic Procurement, Human Resources).
- We involve our employees in our sustainability efforts, providing them with training and resources to support their involvement and the corporate culture (Sustainability training, Climate Fresk, sorting awareness campaigns, etc.). This fosters a culture of sustainability and innovation within our organization.

Part of the decarbonization plan [E1-1 §16]	Corresponding Section
a. **Reduction targets** for GHG emissions by 2030 (missing the targets for 2050) Compatibility with limiting global warming to 1.5° C, in accordance with the Paris Agreement	4.2.1.6 Indicators and objectives
b. Explanation of **decarbonization levers** identified Key actions planned, including: • Changes to the product and service portfolio • Adoption of new technologies in own activities or in the value chain (not quantified at this stage)	4.2.1.5 Actions and resources related to climate change mitigation and adaptation [E1-3]
c. Description and quantification of Company **investments and financing** to support the implementation of the transition plan. Including reference to Capex aligned with the **taxonomy** and Capex plans	The plan to reduce GHG emissions by 2030 is being finalized. However, we mention the 2024 investments as well as the activities aligned with the taxonomy in 4.2.1.1 Climate change mitigation transition plan (E1-1).
d. Qualitative assessment of **locked-in GHG emissions** potentially linked to the Company's main assets and products. If the achievement of the Company's targets is compromised: plans in place to manage its GHG-intensive and energy-intensive assets and products.	N/D (methodology being defined)
e. Significant amounts of Capex invested during the fiscal year in connection with economic activities related **to coal, oil and gas**	0%
f. The Company is excluded from **Paris-aligned benchmarks**	No
g. Description of how the transition plan is integrated in the **general strategy and financial planning of the Company** and aligned with them	4.1.3.1 Strategy, business model and value chain [SBM-1]
h. Information indicating whether this transition plan is **approved by the governance bodies**	4.1.2.1 Governance operations, roles and responsibilities [GOV-1]
i. **Progress** achieved by the Company in the implementation of the transition plan	4.2.1.6 Table of VusionGroup decarbonization targets

4.2.1.2 Climate change adaptation [ESRS2. SBM-3]

The Group analyzed the physical risks and transition risks it could face: transition risks have been identified as material IROs and are subject to action plans described in 4.2.1.5 and detailed indicator measures in 4.2.1.6.

	Physical risks	Transition risks
Short-term	**Group and value chain sites** • An analysis of climate risks, coupled with an analysis of natural disasters was carried out in early 2024 in order to understand the exposure of the Group and the main sites in its value chain in order to identify risk management actions; this analysis, described below, covers 20 sites identified as key to our upstream value chain and our own operations.	**Reputation** • All VusionGroup stakeholders expect action on climate change. Not responding to these expectations constitutes a risk factor that could affect the Group's reputation. **Financial** • Financial costs related to the investments required to decarbonize the Group and its value chain.
Medium-term		**Financial** • As we transition towards a more sustainable economy, one major challenge relates to potential new regulations enforcing a global or regional carbon pricing system which would have direct financial consequences on all companies.
Long-term	**Supply** • If the global ecological transition does not happen quickly enough, rising temperatures, droughts, and climate disasters (particularly floods) could have a direct impact on our upstream supply and industrial assembly chain. **Supply and energy** • If the global ecological transition does not happen apace, rising temperatures and water scarcity could have a direct impact on our upstream supply chain as well as the energy supply for our data centers.	**Financial** • If our supply chain is affected (risk of tensions or shortages of strategic raw materials) in its organization and its costs, an effect on the Group's profitability and / or an increase in selling prices could be considered.

To better understand the Group's ability to withstand certain climate scenarios, a study was carried out in 2024 with the support of our insurance broker, to assess climate-related risks and provide guidance in terms of risk management - this study focused on around twenty key sites identified in our upstream value chain and our own operations (these 20 sites are mentioned under the name "panel" below):

- subcontracting production and assembly sites: the choice of these key sites was made in consultation with the Director of Strategic Purchasing, an in-house expert in the key stages of our value chain;
- R&D centers;
- Group management offices.

The study includes the analysis of physical risks as well as those of natural disasters induced by risk modeling from Intergovernmental Panel on Climate Change (IPCC)[1] scenarios: global warming scenarios are projections based on different trajectories of greenhouse gas emissions (GHG) and socio-economic developments.

The main scenarios used by the Intergovernmental Panel on Climate Change (IPCC):

- SSP1-1.9 and SSP1-2.6: These scenarios represent sustainable development trajectories, with significant efforts to reduce GHG emissions. They aim to limit the rise in global temperature to well below 2° C compared to the pre-industrial era.
- SSP2-4.5: This intermediate scenario envisages a continuity of current socio-economic and technological trajectories. It corresponds to an increase in global temperatures of 2.7° C by 2100.
- SSP3-7.0 and SSP5-8.5: These more pessimistic scenarios predict a significant increase in GHG emissions. The SSP3-7.0 scenario could lead to a temperature increase of 3.6° C, while the SSP5-8.5 scenario could lead to a rise of 4.4° C by 2100.

Scenario	Horizon 2030	Horizon 2050	Horizon 2100
SSP1-1.9	+1.5° C	+ 1.6° C	+ 1.4° C
SSP1-2.6	+1.5° C	+1.7° C	+1.8° C
SSP2-4.5	+1.7° C to +2° C	+2.0° C to +2.5° C	+2.7° C
SSP3-7.0	+2.0° C to +2.5° C	+2.8° C to +3.2° C	+3.6° C
SSP4-6.0	+1.8° C to +2.2 °C	+2.5° C to +3.0° C	+3.0° C
SSP5-8.5	+2.5° C to +3.0° C	+3.5° C to +4.0° C	+4.4° C

[1] Intergovernmental Panel on Climate Change

List of panel sites

Site #	Country of location	Upstream value chain	Own operations
#1	France		Warehouse operated by VusionGroup
#2	France		Warehouse operated by VusionGroup
#3	France		VusionGroup head office and R&D center
#4	Austria		VusionGroup office and R&D center
#5	Austria	Warehouse	
#6	Germany		VusionGroup Office
#7	United States		VusionGroup Office and R&D center
#8	United States	Warehouse	
#9	United States	Warehouse	
#10	United States	Warehouse	
#11	Taiwan		Office and R&D center
#12	China	Component supplier	
#13	China	Component supplier	
#14	China	Component supplier	
#15	China	Upstream subcontractor	
#16	Vietnam	Assembler (EMS)	
#17	Mexico	Assembler (EMS)	
#18	Mexico	Warehouse	
#19	United States	Warehouse	
#20	Mexico	Upstream subcontractor	

VusionGroup therefore tested the resilience of its activity to the impacts of climate change in order to understand its exposure to climate risk for a panel of 20 sites (supplier sites or the Group's main sites), using the analysis of climate scenarios with a particular focus on the SSP1- 1.9 and SSP1 2.6 scenarios (RCP 2.6, i.e. a rise in temperatures of less than 2° C). The Group is beginning its analysis and has chosen to focus on the most desirable scenarios initially. Following the publication of the National Climate Change Adaptation Plan (PNACC) in France, which is based on a warming of +4° C, Vusion will study other scenarios above +2° C next year.

The analysis detailed the types of potential risks incurred by each site in the VusionGroup panel, breaking them down into:

- acute climate risks (usually refers to extreme and sudden weather events, such as hurricanes or floods);
- chronic climate risks (relate to long-term changes, such as sea level rise or changes in precipitation patterns).

1 2 3 4 5 6 7 8 9

Risks	Description	# sites concerned	Risk severity by 2050	Risk management policy
Rising temperatures	This risk is that of prolonged periods of high temperatures. The impacts are above all human with effects on the health and vulnerability of employees as well as on their productivity at work. The increase in temperature can also have an impact on the industrial equipment with, for example, the reduction in the life of equipment planned for milder temperatures or interruptions related to the overload of the electrical network due to the need for air conditioning.	sites # 7,8,9,11,12,13,14,15,16,17,18,20	Moderate [3/5]	VusionGroup will be exposed to 60% of the panel by 2050, through its industrial partners and suppliers in Mexico, Vietnam, Taiwan, in southern China and in some of its offices such as in Texas (Dallas and El Paso). This exposure can lead to a slowdown in productivity which can be estimated at five days of downtime per site and per year. The Group will be able to offset the potential downtime by cooperating with its subcontracting plants *via* increased flexibility in the pace of production. Our own operations located in Texas (offices and R&D) are set up for a temperature adapted to administrative and research work.
Fires	This term refers to weather conditions that increase the risk of forest fires, such as high temperatures, low humidity and strong winds.	sites # 7,8,9,17,18,20	Low [2/5]	Six sites in the panel in the United States and Mexico present this risk. This risk is low and the consequences are estimated by the Group to be indirect (impact on the health of the workforce, roads blocked).
Drought	This risk is that of periods of abnormally dry weather that are sufficiently prolonged for the lack of water to cause imbalances. The impacts are on people, on operational costs through the increase in the price of water resources or restrictions on industrial activities that consume water.	sites # 7,8,9,13,14,15, 17,18,20	Low [2/5]	Nine sites in the panel are exposed to this risk of drought in China, Mexico and the United States, which could lead to three days of shutdown per year for each of the sites. The ability of industrial partners to limit their water consumption and recycle water is the subject of action plans and monitoring in 2025.
Precipitation and flooding	Global warming intensifies the Earth's water cycle, increasing evaporation and the atmosphere's ability to retain moisture. This leads to more frequent and intense storms - Areas affected by storms are likely to experience increased precipitation, which increases the risk of flooding. The impacts can include damage to infrastructure (buildings, machines, inventories), supplies (energy, telecoms) and logistics infrastructure (railways, roads).	sites # 7,11,12,13,14,	Moderate [3/5]	Five sites in the panel are exposed to a moderate risk of intense rainfall and flooding, mainly in Asia. To minimize this risk in the long term, the Group has undertaken a geographical diversification of its supply chain with the distribution of sites in areas exposed to this risk differently, notably Mexico. The most critical partners are audited annually to ensure that natural disasters are taken into account in the business continuity plans (BCPs) and that regular exercises are carried out. VusionGroup works with leading industrial partners who take the necessary measures to reduce the impact of the flood risk on their operations, such as the heightening of sites, drainage and the presence of emergency power supply.
Cyclone and storms	This risk includes the impact of different types of storms such as tropical or extra-tropical cyclones, hurricanes and winter storms. The impacts can include damage to infrastructure (buildings, machines, inventories), supplies (energy, telecoms) and logistics infrastructure (railways, roads).	site # 11	Low [2/5]	The Group's sites are only slightly exposed to this risk, with the exception of our office and our suppliers in Taiwan. The climate scenarios do not show any particular increase in this risk for the Group. The associated Business Continuity Plans, both those of our suppliers and those of the Group for our sites, take this risk scenario into account. In addition, exposure is particularly significant in Taiwan, which has developed very advanced economic and social resilience to cope with these extreme climate events.
Sea level rise	Sea level rise leads to increased risks of submersion and coastal erosion, the disappearance of low-lying island territories, and the intrusion of salt water into freshwater aquifers.	site # 12	Very Low [1/5]	One site in the panel, located in China, is likely to be subject to this risk. A resilience plan is being studied for this site.

1
2
3
4
5
6
7
8
9

4.2.1.3 Management of impacts, risks and opportunities related to climate change [ESRS 2. IRO-1]

Presentation table of material IROs for ESRS E1

Positive impacts	Negative impacts
Retail decarbonization using ESLs to process e-commerce orders more efficiently. Combating food waste through optimized inventory management + identification and management of expiry date. Retail decarbonization by impacting the distributor's assortment.	Negative impact on the environment by contributing to climate change *via* GHG emissions (Scopes 1, 2 and 3).
Risks	**Opportunities**
Risk of financial costs related to investments in the decarbonization of VusionGroup's activities and value chain. Risk of taxes and regulations concerning the importation of products manufactured in Asia/other countries. Risk of damage to the entity's reputation in the event of a perceived lack of ambition in its strategy to adapt to climate issues. VusionGroup's reliability is at stake if the customer does not perceive our efforts as sufficient to adapt to the future. Risk of disruption of the Group's supply chains due to tensions or shortages of strategic raw materials or physical risks.	Gain of customers if VusionGroup's activities are perceived as beneficial in the fight against climate change.

Description of IROs identification processes

Climate change-related IROs have been identified in different ways, as specified in section 4.1.5:

- thanks to a good understanding of our carbon footprint, and therefore, of the direct impact of our activity on the environment;
- thanks to the analysis of our plan to reduce GHG emissions by 2030, and the potential difficulties that we could encounter during its application (regulatory changes, taxes, consumer expectations, etc.);
- thanks to the climate risk analysis conducted in 2024, which enabled us to assess the risks incurred in our value chain;
- thanks to the consultation of the various stakeholders, some of whom represent our upstream and downstream value chain: in particular the financial department, strategic sourcing, research & development, legal, marketing;
- thanks to the expertise of the VusionGroup Sustainability team.

During the IRO rating workshops, the Chief Risk Officer was present to list and assess the adaptation risks, as mentioned in 4.2.1.2.

4.2.1.4 Policies related to climate change mitigation and adaptation [E1-2]

Policy implemented by the Group	Description of the policy	Scope of the policy	Responsibility
Environmental policy	The environmental policy has been put in place to encourage Vusion's employees to adopt a virtuous vision for the environment, both in terms of decarbonization of the Group and the decarbonization of the retail sector. This policy promotes the use of renewable energies, sets out our vision on the modular design of our products as well as on the circularity of VusionGroup's product offering.	All VusionGroup	The Chief Sustainable Officer and the sustainability team draft the policy and ensure its implementation, employee awareness and external communication. Group managers, country CEOs and local management ensure that the policy is applied.
Responsible sourcing and purchasing policy	VusionGroup's purchasing policy strives to oversee the relationship with suppliers in order to be able to ensure their sustainability practices and their environmental responsibilities - the Group ensures that it can carry out internal and external audits and assessments on these issues.	VusionGroup and its value chain	The Strategic Sourcing team, assisted by the Sustainability team

VusionGroup's climate change policies are available on the vusion.com website.

4.2.1.5 Actions and resources related to climate change mitigation and adaptation [E1-3]

VusionGroup has not yet finalized the quantified contribution of all its decarbonization levers to achieve its decarbonization objectives by 2030. However, the Group continually invests in its payroll and in projects that will enable it to achieve its objectives, as mentioned in section 4.2.1.1.

These are grouped into five main families:

Promotion of renewable energies:

- The Group is implementing a restrictive car policy, both in terms of number and motorization: the Group is electrifying its fleet of vehicles, to achieve a 100% electric fleet by 2030;

	2024			2023			2022 revised*		
Number of vehicles by engine type[1]	Electric engines	Hybrid engines	Combustion engines	Electric engines	Hybrid engines	Combustion engines	Electric engines	Hybrid engines	Combustion engines
In %(*)	13%	41%	46%	8%	24%	68%	6%	18%	76%

* VusionGroup also finances Renewable Energy Certificates as part of its SBTi objective to offset its Scope 2 emissions.

Less emitting components, designs and services:

The majority of VusionGroup's carbon footprint falls within category 1 Purchased Goods and Services (88%). This category includes, among other things, the raw materials to manufacture our sold products, as well as our service providers (Cloud).

The Group has carried out Life Cycle Analysis of its products to cover more than 90% of its turnover, and is developing growing expertise to assess the largest emission items, with the aim of reducing them.

The products sold by Vusion are eco-designed, i.e. they can all be dismantled to guarantee their durability, repairability and recyclability.

- The batteries used in the ESLs are composed of lithium, a polluting component that requires water. The EdgeSense innovation makes it possible to pool the battery of seven labels on average on a rail.
- The R&D department continually questions the design and composition of ESLs, in an attempt to find less emitting components or designs, without reducing the product's performance. We now know that components such as the "printed circuit board" are among the most emissive in our hardware. The R&D department is working to reduce size / weight and to find less emitting alternatives.

(1) Statistics on the type of engine used in the Group's vehicle fleet were compiled for all Group entities, based on the file of the Finance/Consolidation Department managing all leases subject to an IFRS 16 restatement.
The makes and models of the leased vehicles made it possible to identify the type of combustion engine (hybrid or electric).

- Since 2018, we have begun to reduce our infrastructure and our on-premise IT resources in favor of cloud-based and serverless solutions. VusionGroup created the VUSION Cloud Retail IoT platform to help retailers accelerate their digital transition and transform their physical stores into true digital, automated, and data-driven environments connected to consumers and suppliers. Both Cloud computing and sustainability are emerging as transformative trends. Cloud computing makes it possible to collect, store and analyze huge quantities of data, reduce the total cost of ownership of IT, and increase business agility.
- With 152.5 million Cloud-connected ESLs in 2024 compared with 81.8 million in 2023 and 50 million in 2022, we have built the first global physical retail IoT platform. The VUSION platform is hosted on Microsoft's Azure cloud, which has committed to powering 100 percent of its data centers with renewable electricity by 2025 (Microsoft_Cloud_Carbon_Study_2018, updated 2020). The distribution of VusionGroup's revenue will evolve in the coming years, with a greater focus on services and software sold, such as the VusionCloud platform or the Memory analysis platform for "Category Management" and "Merchandising". Carbon emissions associated with services and software are significantly lower than those associated with hardware.

Circular economy principles

- Integration of recycled or recyclable materials in our hardware (boxes and label fasteners) and packaging. These initiatives enable us to account for lower emissions compared to virgin material.
- Second Life refurbishment program: when a customer replaces an old generation label with a new one, we collect the old labels and determine whether they should be refurbished, recycled, or destroyed. The retiring generation of ESLs to be reused or recycled is carefully inspected and sorted with the aim of recovering the components that can be reused, and to carry out the necessary repairs to supply a specific channel with "second life" labels. Our internal recycling flow centralizes the reverse logistics for used ESLs at two major partner sites of Ingram Micro Lifecycle (one in France and one in Poland). The refurbishment of labels is a crucial component of the Group's decarbonization strategy. When a label is refurbished, its lifespan is doubled. The numbers speak for themselves: a refurbished label emits 48% fewer greenhouse gas emissions[(1)] compared to a non-refurbished label[(2)].

Supplier engagement

- The Strategic Procurement Department incorporates, among other things, environmental criteria into the purchasing process, in order to assess the maturity of suppliers in this area, or to select new ones. For example, VusionGroup's industrial suppliers must:
  - Obtain an Ecovadis score above 50/100, which demonstrates a minimum commitment to environmental prerequisites (other certifications such as ISS ESG, MSCI and Sustainalytics are also accepted),
  - Follow training courses on the Ecovadis Academy platform to raise their awareness of the issues;
  - Be ISO14001 certified,
  - Sign the supplier code of conduct, which includes several environmental objectives,

Decarbonization of the retail sector

The Group's environmental strategy also lies in its contribution to the decarbonization of the distribution sector. By developing its offering, VusionGroup has a positive impact on its carbon footprint (these solutions are mostly services, which produce less emissions than hardware), but also on the sector:

- Reduction of food waste: better shelf management optimizes inventory forecasts and sales, and directly reduces food waste. It is now possible to adjust prices, promotions, or product placement when they reach the end of their life. The fight against food waste in stores leads to a reduction in emissions:
  - Fewer emissions to destroy surplus food. When food is thrown away, it breaks down in landfills and produces methane, a powerful greenhouse gas,
  - Fewer unnecessary emissions. Producing food requires water, energy (production, transport, storage) and agricultural land. When food is wasted, all these resources are lost.
- The decarbonization of the distributor's range is highly strategic (Scope 3 represents up to 98% of the distributor's total emissions[(3)]). Thanks to the intelligence of the Memory platform, the "Positive Assortment" solution reduces the carbon footprint of the distributor's products sold, while maintaining a good level of margin as well as good coverage of units of need of the end consumer.
- Local e-commerce: the digitization of brick & mortar stores makes it possible to create micro-retail and shipping centers from them. This avoids the construction of order preparation warehouses, which artificialize the soil and emit significant amounts of greenhouse gases during their construction and operation.

(1) The total emissions of a refurbished label include those produced for its first life, plus the emissions required for its refurbishment.
(2) Life cycle analysis carried out in 2021 by an environmental engineering firm.
(3) https://www.oliverwyman.com/our-expertise/insights/2024/jun/reducing-scope3-emissions-eu-retail-wholesale.html

4.2.1.6 Indicators and objectives related to climate change [E1-4], [E1-5], [E1-6]

Climate objectives [E1-4]

VusionGroup has validated its objectives with the Science Based Target Initiative since November 2024. These targets comply with the Paris Agreement and contribute to the target of limiting global warming to +1.5° C by 2030.

They are based on two objectives:

- Decrease in absolute value the sum of its Scope 1 and Scope 2 $eqCO_2$ emissions by 42% by 2030, as of 2022;
- Reduce in intensity its scope 3 (Scope 3 $eqCO_2$ emissions/variable cost margin) by -51.6% by 2030, compared to 2022, via purchases of goods and services, transport of products sold, business travel, home-work travel as well as the use of products sold.

The Group has also set targets in terms of absolute value as well as intensity / revenue. All of these objectives are listed in the VusionGroup decarbonization objectives monitoring table.

Several verifications were carried out during our SBTi audit:

- The base-year 2022 (reference year) has been recalculated to include the acquisitions of the subsidiaries In The Memory and Belive in 2023, in order to remain on a like-for-like basis. We have thus integrated, in proportion to the number of employees in 2022, the Scope 1, 2 and 3 emissions of the two subsidiaries. They are mainly related to purchases of products and services (daily life in the office and use of the Cloud) as well as business travel in Scope 1.
- The objectives of the SBTi have been defined in compliance with the limits of the GHG inventory, defined by the GHG Protocol.

GHG emissions reduction targets

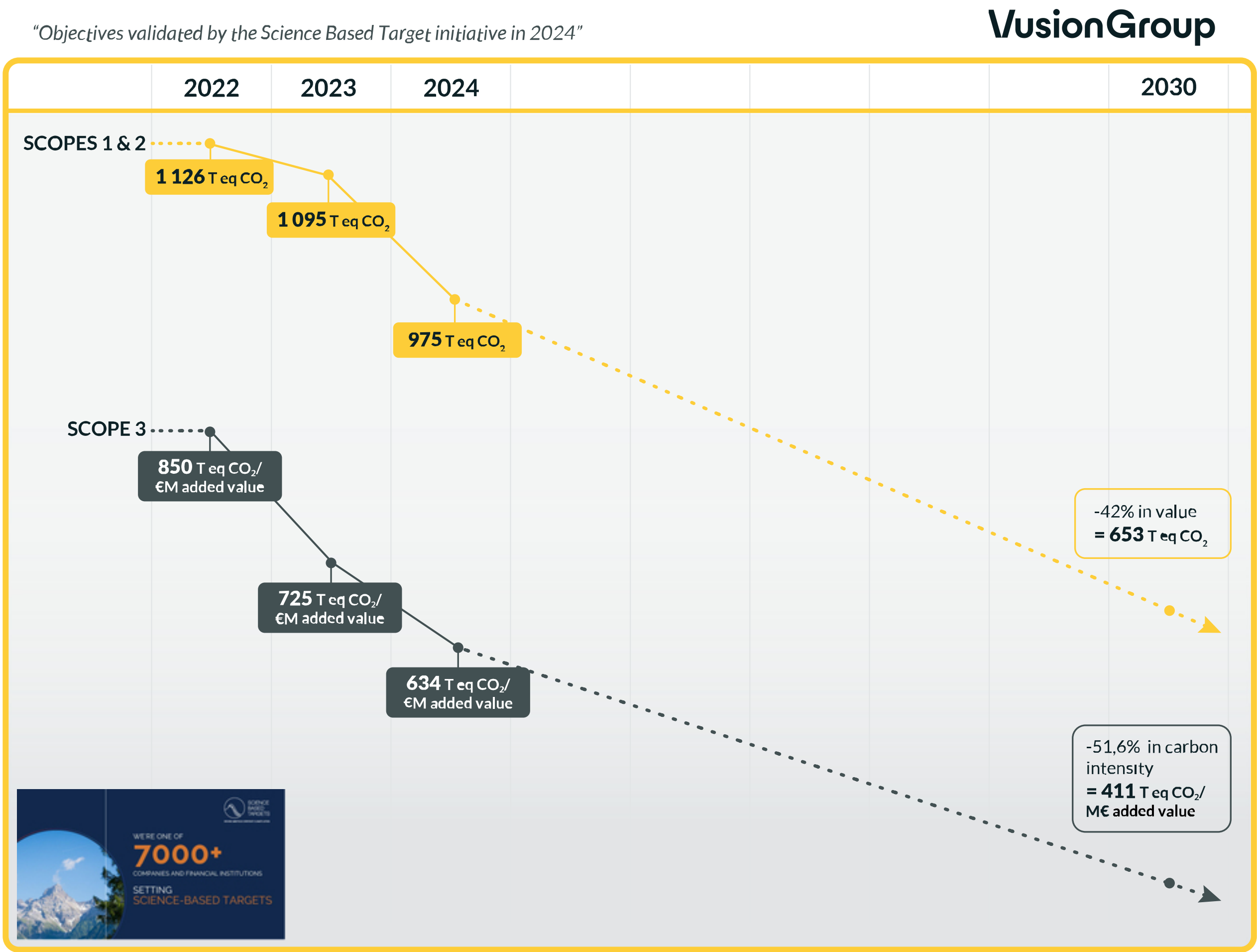


Table of VusionGroup decarbonization targets according to the Science-Based target initiative

	Historical data						
	Reference year: 2022	2023	2024	Change in value in 2024 vs. 2022	Change in % 2024 vs. 2022	2030	Annual targets in % / reference year
Scopes 1 + 2 GHG emissions (market based) - Target within the scope of the Science-Based Target initiative							
Sum of Scopes 1 + 2 emissions ($teqCO_2$)	1,126	1,095	975	-151	-13.4 %	288	-74.4%
Carbon intensity (Scope 3 emissions / Variable cost margin) - Objective under the Science-Based Target initiative							
Total gross indirect GHG emissions (Scope 3) (teqCO2 / €M variable cost margin)	850	725	634	-216	-25.4%	428	-49.7%

VusionGroup plans to reduce the sum of Scopes 1 and 2 emissions by 74.4% by 2030 thanks to its action plan (see 4.2.1.5) and through the purchase of renewable energy certificates provided for under the Science-Based Target initiative, which is likely to significantly exceed the SBTi target of -42%.

In terms of carbon intensity, VusionGroup forecasts for the moment a decrease of 49.7% by 2030, compared to 2022. The Group is making every effort to initiate additional action plans to meet the two remaining performance points and achieve the target of -51.6% on time.

ESRS E1 decarbonization target monitoring table

	Historical data						
	Reference year: 2022	2023	2024	Change in value in 2024 vs. 2022	Change in % 2024 vs. 2022	2030	Annual targets in % / reference year
Significant Scope 3 GHG emissions							
Total gross indirect GHG emissions (Scope 3) ($teqCO_2$)	111,728	148,922	187,608	75,880	67.9%	466,690	317.7%
Carbon intensity (Scope 1 + 2 + 3 emissions/Turnover)							
Total gross indirect GHG emissions (Scopes 1, 2 market-based and 3) ($teqCO_2$ / €M revenue)	182	186	187	5	2.7%	141	-22.6%
Total gross indirect GHG emissions (Scope 1, 2 location-based and 3)) ($teqCO_{2)}$ /€million turnover)	182	186	188	6	3.3%	141	-22.2%

VusionGroup is growing (+54% in turnover between 2022 and 2024, for example). GHG emissions are therefore forecasted to increase by 2030, but the intensity ratio is not. VusionGroup therefore expects that for any additional value creation (in euros), the carbon emissions offset will be proportionally lower than in 2022.

Energy consumption and mix [E1-5]

The analysis of energy consumption and the energy mix below focuses on the Group's most material Scope 2 energy consumption: that of the industrial assembly asset, under our exclusive control, located in the south of Vietnam.

This analysis was conducted on the basis of a measurement of energy consumption carried out on a production day and valued using the https://app.electricitymaps.com/map standard, for 300 days of annual operation.

Energy consumption and mix		Comparative data	Year 2024
1	Fuel consumption from coal and coal products (in MWh)		0.00
2	Fuel consumption from crude oil and petroleum products (in MWh)		0.00
3	Fuel consumption from natural gas (in MWh)		0.00
4	Fuel consumption from other fossil sources (in MWh)		0.00
5	Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (in MWh)	Exclusive control of assembly lines from 2024 only	914,8
6	Total fossil energy consumption (in MWh) (calculated as the sum of lines 1 to 5)	Exclusive control of assembly lines from 2024 only	914.8
Share of fossil sources in total energy consumption (in %)			**48%**
7	Consumption from nuclear sources (in MWh)		0
Share of consumption from nuclear sources in total energy consumption (in %)			**–%**
8	Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (in MWh)		0
9	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (in MWh)	Exclusive control of assembly lines from 2024 only	987.5
10	Consumption of self-generated non-fuel renewable energy (in MWh)		0
11	Total renewable energy consumption (in MWh) (calculated as the sum of lines 8 to 10)	Exclusive control of assembly lines from 2024 only	987.5
Share of renewable sources in total energy consumption (in %)			**52%**
Total energy consumption (in MWh) (calculated as the sum of lines 6, 7 and 11)			**1902.3**

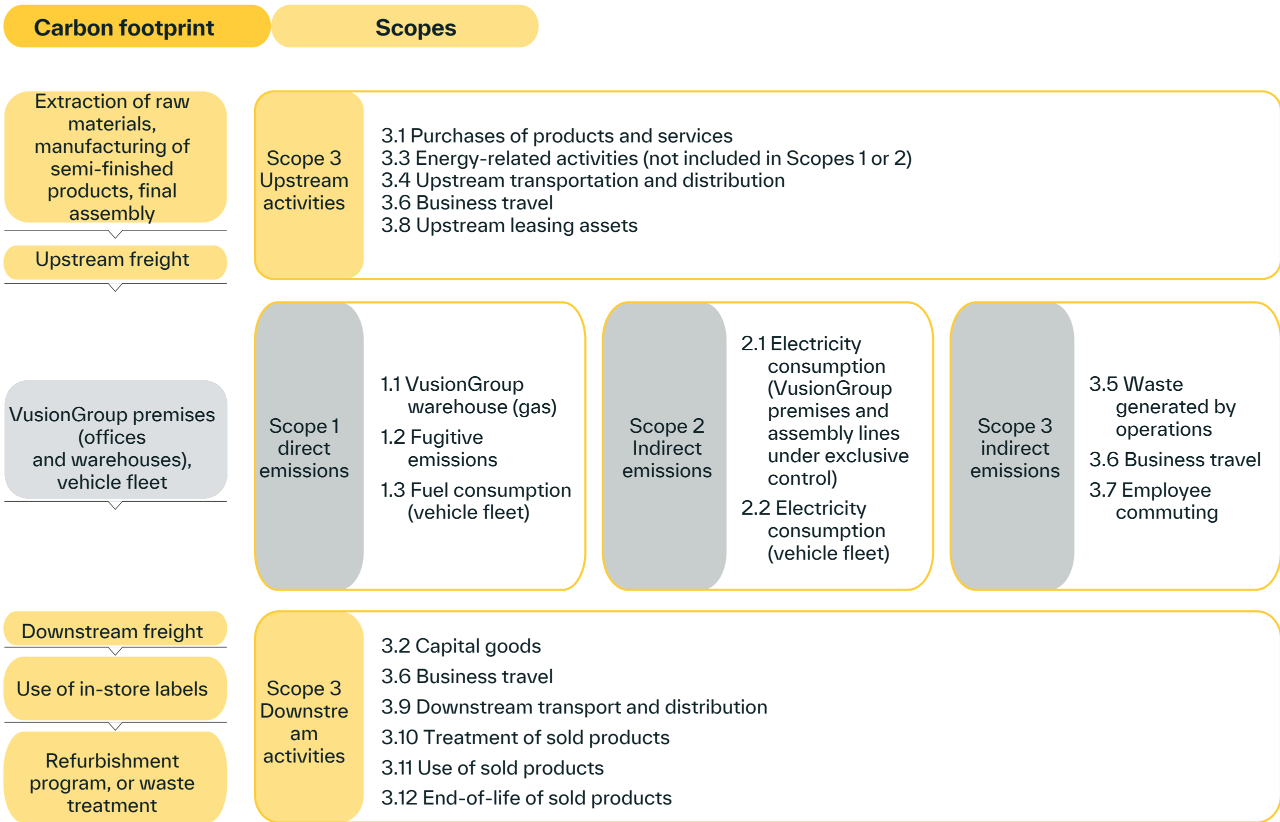
Gross GHG emissions [E1-6]

Measuring our carbon footprint constitutes the first key step in any action to reduce it. We are taking responsibility for emissions across the entire value chain, our own operations, as well as across the whole life cycle of the product, from the supply of materials to production, including the use, transport and recovery of materials at the end of their life. We have chosen 2022 as the reference year, with a view to establishing a solid and strong base from which to draw up a multi-year action plan. The Science Based Target Initiative audit, carried out in October 2024, confirmed the robustness of our carbon reporting.

Emissions relate to scopes 1, 2, and 3 according to the regulatory methodology for the preparation of greenhouse gas emissions assessments for the year 2024.

VusionGroup measures the carbon footprint of its activities, that of its employees, and its energy consumption on Scopes 1, 2, and 3 according to the general framework proposed by the GHG Protocol[(1)]. Carbon accounting, common to all Group companies, is based on international standards: GHG Protocol, International Energy Agency, ISO 14064-1-2016.

The diagram below shows all of the Group's emission categories:



As a reminder, the GHG Emissions Protocol defines the method for calculating carbon emissions and the Scopes to be considered:

Scope 1 emissions are those greenhouse gases resulting from fuel combustion from sources we own or operate – like vehicles or natural gas for heating.

Scope 2 emissions refer to those resulting from use of electricity.

Renewable energy generates minimal Scope 2 emissions, whereas burning coal, oil, or natural gas to produce electricity releases carbon dioxide and other greenhouse gases into the atmosphere. In 2024, the Group recorded the carbon emissions due to the energy requirements of the assembly lines under its operational control, since this year, in Vietnam.

Scope 3 emissions correspond to all other indirect emissions that occur in a company's value chain, including upstream and downstream activities: more specifically, the life cycle analysis of all products marketed by the Group, from mining to industrial assembly, from the packaging and transport necessary for each of these stages to the emissions caused by the use by customers and the end of life of these products. In order to estimate emissions from "purchases of goods and services" relating to the production of products sold, the Group used actual sales for the 2024 financial year. Scope 3 also includes carbon emissions from the goods used (offices, warehouses), servers, emissions related to employee travel both for business and for home-work journeys, and lastly, purchases of goods and services. To compare these different greenhouse gases, which do not have the same warming potential, they are converted into "CO_2 equivalent." CO_2 is thus considered as the reference gas. The "Global Warming

(1) GHG Protocol: Greenhouse Gas Protocol (https://ghgprotocol.org/).

Potentials" are determined by the IPCC[1] and calculated over 100 years. Thanks to the CO_2 equivalent, greenhouse gases are comparable and cumulative, which makes it easier to analyze company activity data.

The VusionGroup's carbon footprint is detailed below (values are rounded): unsurprisingly in our technology business sector, the life cycle of our products represents the major part of this footprint.

The data for all Group subsidiaries are consolidated to produce the statement: we aggregate the greenhouse gas emissions by corresponding item for each of our offices and subsidiaries around the world. More information is available in the methodological note in Section 4.1.1.

Restatement of previous years following the SBTi audit:

When validating our decarbonization targets, the Science Based Target Initiative audited our carbon footprint.

Several changes were made following this audit:

- Following the acquisition of Belive and In The Memory in 2023, we included their emissions in 2022 *pro rata* to their workforce, in order to be on a like-for-like basis for our reference year;
- We reclassified the "Accommodations and food services" emissions as "Business Travel" and no longer as "Purchased Goods and Services";
- We reclassified the emissions of our IT equipment as "Leased Assets" and no longer as "Purchased Goods and Services";
- We removed the emissions due to label storage in the "Purchased Goods and Services" category, because the warehouses are those of VusionGroup, so the emissions are already accounted for in our Scopes 1 and 2. Emissions recognized under "Upstream leased assets" are optional and not included.

Restatement of previous years as a result of increased data reliability / use of primary data:

- This year, we included primary data on emissions due to the use of the Cloud (Microsoft 365, VUSION Cloud Platform, In the Memory, Belive, etc.). Until now, Cloud emissions were only accounted for *via* our ESLs, thanks to an average modeling of the use phase of the electronic labels.
- The review of the life cycle analyses of our products led to a restatement of our carbon footprint for 2022 and 2023.

Significant changes in the Scope of VusionGroup's carbon footprint in 2024:

- From the 2024 fiscal year, the energy consumption of new assets under "exclusive control" (in the assets of VusionGroup SA) are included in Scope 1 of the Group's carbon assessment. These assets consist of assembly lines installed in the premises of the Group's Tier 1 subcontractors in order to meet the production volumes required by the signing of the contract with Walmart Inc. Their number will increase in 2025 and will be taken into account from the date of their commissioning.

Summary table of restatements & significant changes:

	Restatement					
	2022	2022 restated	% change	2023	2023 restated	% change
Scope 1 ($teqCO_2$)	682	695	1.9%	645	645	–%
Scope 2 location-based ($teqCO_2$)	427	431	0.9%	449	449	–%
Scope 3 ($teqCO_2$)	100,321	111,728	11.4%	135,510	148,922	9.9%

[1] Intergovernmental Panel on Climate Change.

Breakdown of GHG emissions

	Historical data				Milestones and target years		
	Reference year: 2022	2023	2024	% 2024 compared to 2022	2025	2030	2030 target in %/ reference year
Scope 1 GHG emissions[1]							
Gross Scope 1 GHG emissions [teqCO_2]	695	645	554	-20%	503	288	(59)%
Percentage of Scope 1 GHG emissions resulting from regulated emission trading schemes (in %)	—%	—%	—%	—%	—%	—%	—%
Scope 2 GHG emissions							
Gross Scope 2 location-based GHG emissions (teqCO_2)	431	449	1,507	250%	1,641	2,374	451%
Gross Scope 2 market-based emissions (teqCO_2)	431	449	421	-2%	328	0	-100%
Significant Scope 3 GHG emissions							
Total gross indirect (Scope 3) GHG emissions (teqCO_2)	111,728	148,922	187,608	68%	278,871	466,691	318%
1 Goods and services purchased[2]	101,724	134,946	166,559	64%	249,163	418,074	311%
2 Investment property	92	178	87	-5%	93	130	41%
3 Activities in the fuel and energy sectors (not included in Scopes 1 and 2)	234	233	477	104%	518	729	212%
4 Upstream transportation and distribution	3,466	4,833	9,027	160%	13,640	22,982	563%
5 Waste produced during operations	53	62	70	32%	77	109	106%
6 Business travel[3]	1,254	2,219	3,707	196%	3,967	5,570	344%
7 Employee commuting[4]	464	565	441	-5%	472	663	43%
11 Use of sold products	94	172	877	833%	1,326	2,234	2277%
12 End-of-life treatment of sold products	4,347	5,715	6,363	46%	9,615	16,200	273%
Total GHG emissions							
Total GHG emissions (location-based) (teqCO_2)	112,854	150,016	189,669	68%	281,015	469,353	316%
Total GHG emissions (market-based) (teqCO_2)	112,854	150,016	188,583	67%	279,702	466,979	314%

(1) Scope 1: consideration of emissions from LPG (butane, propane), natural gas, domestic fuel oil or diesel, heavy fuel oil and kerosene for stationary and mobile sources as well as emissions related to refrigerant leaks. The inclusion of vehicles used by the entire Group scope is ensured by monitoring IFRS 16 restatements, making it possible to inventory the fleet of vehicles under a long-term lease, as well as their respective engines. Purchases of natural gas to heat our warehouses were also recorded. The calculation is based on real consumption.

(2) The indirect emissions caused by the group's purchases of goods and services have been estimated using monetary emission factors that combine CO_2 emissions with the value of purchases made for different types of goods or services. The scope includes all of the group's consolidated entities. Emission factors are defined for each type of expense and apply to their amounts.

(3) Business travel: emissions related to business travel within the Group are taken into account thanks to the centralized travel agency reporting, which meets the travel and transportation needs of all the group's entities.

(4) Employee commuting: our employees answered a questionnaire detailing actual distance and mode of transport (response rate of 59%) from which we were able to extrapolate our calculations.

Below is some information to better understand the changes between 2022 and 2024:

- **Scope 1:** VusionGroup's car policy has shown results (reduction of combustion engine vehicles);
- **Scope 2:** the integration of GHG emissions from assembly lines under exclusive control since 2024 has caused a significant increase in this item;
- **Scope 3:** turnover growth (+54% compared to 2022) has led to the increase in emissions due to the production of products sold:
  - purchased products and services,
  - upstream freight transport and distribution (the growth of new markets such as the United States has led to an increase in label transport emissions),
  - use of products sold (multiple functionalities, multiple communication protocols),
- **Scopes 2 and 3:** the increase in own workers (+56% compared to 2022) and rented office space:
  - a significant increase in emissions due to business travel;
  - leasing of new offices, particularly in the United States (increase in Scope 2: indirect emissions related to electricity consumption).

Methodology, emission factors and assumptions used to calculate the data:

GHG Protocol category		Use of primary data	Assumptions	Emission factors
Scope 1				
1	Direct emissions from mobile combustion units	Supplier data when available and extrapolated for the rest	Km stipulated in the lease: on average 30,000 km per year per car	ADEME
2	Direct emissions from stationary combustion units	Supplier data	N/A	ADEME
3	Direct fugitive emissions	No	0.004 kg of gas leaks per square meter	ADEME
Scope 2				
1	Indirect emissions related to the electric car fleet	Supplier data when available and extrapolated for the rest	30,000 km per car per year	ADEME
2	Indirect electricity emissions related to office life	Supplier data when available and extrapolated for the rest	Assumptions on average annual tertiary consumption when no supplier information taken from CEREN[1]	IEA
3	Assembly line under operational control	Yes	N/A	IEA
Scope 3				
1	Goods and services purchased	Supplier data when available	For emissions due to the production of products sold, the quantities sold are equal to the quantities purchased	EcoInvent, ADEME
2	Investment property	Yes		ADEME
3	Activities in the fuel and energy sectors (not included in Scopes 1 and 2)	Supplier data when available and extrapolated for the rest	Assumptions on average annual tertiary consumption when no supplier information taken from CEREN	IEA
4	Upstream transportation and distribution		Average of used transport	EcoInvent
5	Waste produced during operations		75 kg of eqCO_2 per employee	ADEME
6	Business travel	Yes	N/A	Supplier data
7	Employee commuting	59% of primary data for the rest extrapolation	Extrapolation at 41% based on primary data	ADEME
11	Use of sold products	Yes, electricity consumption of products sold	N/A	[Lean ICT Materials] Forecast Model, by The Shift Project, updated 2020
12	End-of-life treatment of sold products		Metals and plastics recycling (RDC hypothesis) Plastic incinerated with energy recovery	PEF method / epa.gov

(1) CEREN: Center for Economic Studies and Research on Energy.

4.2.2 Pollution [E2]

4.2.2.1 Management of impacts, risks and opportunities related to pollution [ESRS 2. IRO-1]

As a distribution company, VusionGroup's material IROs relating to pollution are essentially linked to the upstream part of its value chain: the production of products, as well as to the end-of-life stage (how the products will be recycled or destroyed).

Presentation table of material IROs for ESRS E2

Positive impacts	Negative impacts
	Negative impact on ecosystems due to the discharge of resources resulting in hazardous substances, polluting emissions, toxic waste or discharges into the environment.
Risks	**Opportunities**

4.2.2.2 Policies related to pollution [E2-1]

The Group does not yet have policies related to pollution.

4.2.2.3 Actions and resources related to pollution [E2-2]

Integration of secondary incoming resources in the products sold

As developed in 4.2.5, VusionGroup includes the circular economy as a strategic pillar in its ESG strategy. The integration of secondary and recyclable incoming resources will have a direct impact on the preservation of ecosystems.

Compliance with EU REACH regulations

In accordance with its environmental policy, VusionGroup's products comply with the European REACH regulation(1), the European RoHS directive(2) and WEEE(3), in all the countries in which we operate, with the aim of reducing and restricting substances that are potentially harmful to humans and the environment. The EU RoHS directive stipulates that electrical and electronic products sold in the EU market may not contain lead, cadmium, mercury, hexavalent chromium, polybromobiphenyls (PBBs), polybrominated diphenylethers (PBDEs) and other regulated substances (including DEHP/BBP/DBP/DIBP phtalates).

The EU RoHS directive therefore aims to limit the impact and exposure of consumers and the environment to specific hazardous substances. It also reduces occupational exposure when products or equipment are manufactured, recycled, or sent for final disposal.

Under the EU REACH regulation, all chemicals manufactured in the EU or imported into the EU market must be registered. This registration is mandatory when the annual volume used exceeds 1 metric ton, and must be done prior to import.

VusionGroup ensures that all its products fully comply with all these requirements.

Raising awareness of the risks and proper management of lithium batteries

We have established internal procedures to inform and train our staff on good handling and storage practices for lithium batteries.

Also externally, our customers are informed of the risks inherent to batteries and receive an information notice to warn them of the precautions to be taken. The batteries are packaged in specific packaging and labeled correctly to avoid any risk when handling them. In partnership with Corepile, an eco-organization specializing in the collection and recycling of cells and small batteries, we also plan to collect end-of-life batteries, so that they can be disposed of in accordance with the regulations in force.

Good management of outgoing electronic resources

As a reminder, the waste generated by VusionGroup's own operations is not material. It is only the Group's outgoing resources (products sold having reached their end of life). The European Union has enacted several directives in order to address the distinct environmental challenges related to electronic waste, batteries and packaging waste. The overarching objectives of these guidelines are to reduce the generation of electronic waste, promote product recycling, ensure the proper handling and treatment of hazardous materials, and set targets for waste collection. Each European country has implemented its own compliance system to effectively manage electronic waste, batteries, and packaging components.

By diligently fulfilling its reporting obligations and making payments to these compliance systems, VusionGroup actively contributes to environmental protection efforts throughout the EU. This commitment underlines our responsible business practices and our role in supporting the broader sustainability objectives defined by national compliance initiatives.

European rules require a priori funding for the future destruction of end-of-life products. These systems are based on the principle of extended producer responsibility, according to which producers, i.e. those entities responsible for marketing certain products, can be made responsible for financing or organizing the prevention and the management of waste from these end-of-life products. Taking the example of this European system of financing electronic waste, batteries and packaging are counted for the entire group according to the weight of the latter placed on the market during the fiscal year and presented in section 4.2.5.4.

4.2.2.4 Indicators and targets related to pollution [E2-4]

The marketing reporting table in 4.2.5.4 shows the quantity of WEEE electronic waste and batteries in tons.

The Group does not yet have targets related to pollution, other than the objectives described above.

4.2.3 Water and marine resources [E3]

VusionGroup recognizes that water is a limited and invaluable vital resource and adheres to the United Nations Sustainable Development Goal 6 “Ensure the availability and sustainable management of water and sanitation for all”.

The Group is not in a position to publish the information required by the ESRS-E3 on its policies, targets and metrics on this issue, due to a lack of data and an action plan. Material IROs are mainly related to the production of products in the upstream value chain. In 2025, the Group will formalize a water management policy.

4.2.3.1 Management of impacts, risks, and opportunities related to water and marine resources [ESRS 2. IRO-1]

The potential negative impacts along the value chain can be summarized as follows:

Conclusion of the sector analysis		POTENTIAL NEGATIVE IMPACTS CAUSED BY VUSIONGROUP’S ACTIVITIES				
		Upstream (tier 2 suppliers and above)	Upstream (tier 1 suppliers)	Direct transactions		Downstream
Pressures	*Potential impacts*	*Mining of raw materials, production of electronic components, fixings and packaging*	*Assembly line subcontracting*	*Assembly lines with operational control*	*Support functions, Storage, Distribution*	*Use, Waste treatment, Refurbishment, Recycling*
Overexploitation of resources (water requirement)	Depletion of water tables and rivers	Extraction of raw materials and production of semi-finished components requiring a quantity of water (lithium, PCB, etc.) Equipment cooling process Sanitation of components	Domestic water use	Domestic water use		Need for water for the treatment of labels at the end of their life (cleaning, cooling of equipment, treatment before recycling, etc.)
Water pollution	Change in water quality	Waste water discharge Use of chemicals in mining and electronic component production	N/A	N/A		Electronic waste disposal

Potential impact level *High* *Medium* *Low*

Presentation table of material IROs for ESRS E3

Positive impacts	Negative impacts
	Negative impact on water resources in the value chain (depletion, drying up of water bodies, salt water intrusion) due to an excessive water withdrawal, particularly in water-stressed regions.
Risks	**Opportunities**

- **Direct transactions** by the Group mainly uses water for domestic purposes in its premises (which are for the most part offices and some warehouses as well as our assets under operational control). None of these sites are located in a protected area. As a result, the Group does not use water from restricted or protected areas, or watersheds. Municipal water is the only water source used: direct operations therefore have no significant environmental impact on water sources or the watershed ecosystem, and we have not identified Group sites in water-stressed areas. The domestic gray water generated is treated by discharging it directly into the systems in accordance with the law.
- **Along the upstream value chain**, the investigations lead us first to assess our Tier 1 suppliers: VusionGroup's products (hardware, IoT) are assembled by our Tier 1 suppliers, assemblers of electronic components most often referred to as "EMS's" or Electronic Manufacturing Services. The assembly step itself does not consume a significant amount of water. However, the previous steps in the production of electronic components do: the Group therefore carried out an analysis of the sector in order to:
- validate the compliance of EMS industrial suppliers (the two largest representing 97% of stocked purchases) in terms of water management (through on-site audits, ISO 14001 certification, EcoVadis rating and CDP Water Security questionnaire[1]);
- assess water consumption further upstream in its value chain as described below (for Tier 2 suppliers contributing to the production of our finished products).
- Further information on the value chain provided in section 4.3.2.

EMS	ISO14001 certification	EcoVadis score	EcoVadis score environmental section	CDP Water Questionnaire	On-site audit[2]	Water management with indicators and objectives
EMS 1	Yes	80/100	80/100	B	very good	Yes
EMS 2	Yes	72/100	70/100	C	very good	Yes

The sector analysis for Tier 2 suppliers was conducted using the "Water Watch" tool - published by the Carbon Disclosure Project (CDP).[3] which classifies more than 200 industrial activities in 13 industry sectors, according to their potential impact on water resources - both in terms of water quantity and quality.

The CDP water impact index highlights the activities with the greatest impact on water: this index assesses the relative impact of the various industrial activities of companies' direct operations, of their supply chain, and of their phase of product use, on global water resources.

The analysis consisted in taking note of the "CDP Water Impact Index" of Tier 2 suppliers:

- for industry (manufacturing); and
- for the specific activity within this industry (electrical and electronic equipment, batteries, electronic components, and electronic equipment).

The result of this analysis shows that this type of supplier has a "very high" to "critical" impact on water.

In 2024, we mapped our strategic Tier 2 suppliers[4] according to their location thanks to the Aqueduct Water Risk Atlas of the World Resource Institute[5]. This tool maps geographical areas by assessing an overall risk related to water within five levels. The analysis is carried out on the basis of data available to date, without specific projections over time.

In addition, the top 16 of our Tier 2 suppliers were audited on site by our Quality team or co-audited with our direct EMS, to identify their specific environmental impacts, risks and opportunities. Water was the subject of a particular focus and the responses to the questionnaires showed different levels of maturity.

At least, they all have ISO 14001 certification[6].

(1) The CDP Water Security questionnaire assesses companies by rating them from D- to A, according to their management of water-related risks and their actions in terms of sustainability.
(2) The rating of on-site audits is assigned according to the scores obtained by suppliers: If the supplier scores less than 60%, they are not qualified. If its score is between 60% and 75%, they are considered acceptable. For a score between 75% and 90%, the achievement is considered good. Lastly, if the supplier exceeds 90%, their performance is considered very good.
(3) https://www.cdp.net/en/disclose/question-bank/water-security/water-watch
(4) Our suppliers are considered strategic when they meet one of the following criteria: They are our EMS (Electronics Manufacturing Services). They provide a component critical for our products or fundamental to production. They have a monopoly on a specific component. Their activity has a strong environmental impact.
(5) https://www.wri.org/aqueduct/tools
(6) ISO 14 0001 includes several areas of analysis concerning water management: 1) Regulatory compliance and water management; 2) Water consumption and optimization; 3) Management of water discharges and pollution; 4) Awareness and continuous improvement; 5) Risk management and contingency plans.

Top 16 Tier 2 suppliers	CDP Activity group	CDP Activity	Water Impact	On-site audit	Aqueduct Water Risk Atlas[1]	ISO 14001 certification [2]
Supplier 1 Tier 2	Electrical and electronic equipment	Electronic components	Very high	Co-audited with our Tier 1 supplier	Moderately high	Yes
Supplier 2 Tier 2	Electrical and electronic equipment	Batteries	Very high	Very good	Moderately high	Yes
Supplier 3 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Very good	Moderately high	Yes
Supplier 4 Tier 2	Electrical and electronic equipment	Batteries	Very high	Very good	High	Yes
Supplier 5 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Good achievement	High	Yes
Supplier 6 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Very good	Moderately high	Yes
Supplier 7 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Co-audited with our Tier 1 supplier	Low - Medium	Yes
Supplier 8 Tier 2	Electrical and electronic equipment	Batteries	Very high	Very good	Moderately high	Yes
Supplier 9 Tier 2	Electrical and electronic equipment	Batteries	Very high	Very good	Low - Medium	Yes
Supplier 10 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Very good	Moderately high	Yes
Supplier 11 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Co-audited with our Tier 1 supplier	High	Yes
Supplier 12 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Very good	Moderately high	Yes
Supplier 13 Tier 2	Electrical and electronic equipment	Batteries	Very high	Very good	Low - Medium	Yes
Supplier 14 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Good achievement	High	Yes
Supplier 15 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Co-audited with our Tier 1 supplier	Low - Medium	Yes
Supplier 16 Tier 2	Electrical and electronic equipment	Electronic components	Critical	Co-audited with our Tier 1 supplier	Low - Medium	Yes

4.2.3.2 Policies [E3-1], actions and resources related to water and marine resources [E3-2]

To date, VusionGroup does not have a formalized policy on the subject: a working group will be organized in 2025 to remedy this, in connection with the action pillars identified below.

These policies will not focus on the use of water for the Group's activities, or on the design and use of products, but will focus on water management in the upstream value chain.

Following our double materiality analyzes and the "Water Watch - CDP Water Impact Index", described above, the Sustainability team, supported by the Strategic Procurement team and the Quality team, initiated a "water management" action plan in the upstream value chain:

a) First step of our action: signing the revised code of conduct

In 2022, VusionGroup introduced a Supplier Code of Conduct to ensure that its partners comply with the Group's high standards in terms of working conditions, fair treatment of employees, ethical practices and respect for the environment. All existing and potential suppliers are invited to make a commitment by signing the code and adhering to its principles. The code will include additional requirements, in particular on water management, from 2025. EMS suppliers and significant Tier 2 suppliers will be required to sign our revised Supplier Code of Conduct, during a new signature campaign in 2025.

(1) Current risk
(2) ISO 140001 includes several areas of analysis concerning water management: 1) Regulatory compliance and water management; 2) Water consumption and optimization; 3) Management of water discharges and pollution; 4) Awareness and continuous improvement; 5) Risk management and contingency plans.

b) Second stage of our action: audit and evaluation of significant suppliers

VusionGroup continues to require certifications or assessments for the most strategic suppliers[(1)], as described in the summary table in 4.3.2.5.

The EcoVadis assessments are supplemented by audits by the VusionGroup Quality team, carried out once a year, on site.

In addition, as soon as they are available, the sustainability reports and other questionnaires (such as the CDP Water Security questionnaire) will be verified each year: the Sustainability team has analyzed the "CDP water" ratings obtained by its EMS since 2024. From 2025, the analysis will be extended to Tier 2 industrial suppliers.

c) Third step of our action: supplier training

VusionGroup has identified a training course on the theme of water, delivered *via* the EcoVadis Academy platform: this training module will be offered in 2025 to our Tier 1 (EMS) and 2 suppliers.

The resources mobilized for these initiatives include a member of the Sustainability team, all members of the Strategic Procurement team, the Sustainability contact manager for manufacturing and sourcing, as well as the quality team responsible for on-site audits.

4.2.3.3 Indicators and objectives related to water and marine resources [E3-3]

As the identified material IRO relates to the Group's upstream value chain, indicators such as "water consumption", "discharges", etc. are not applicable to VusionGroup's own activities.

As a result, the first objectives defined for 2025 are:

100% of our EMS, as well as suppliers mapped as strategic Tier 2 (this represents 16 indirect Tier 2 suppliers) must:

- sign the revised supplier code of conduct which includes increased requirements in particular in terms of water management;
- complete the "Water Management" training on the EcoVadis Academy platform[(2)] and document this with their certificate of completion of the final test;
- in subsequent years, take other courses from the UN Global Compact Academy[(3)] and Responsible Business Alliance (RBA) Learning Academy, the home of RBA and RMI Sustainability online training[(4)];
- maintain their ISO 14001 certification annually.

These objectives will be subject to performance monitoring during the 2025 fiscal year and will be supplemented in the future after formalization of the dedicated policy.

In addition to the commitment of our suppliers, the Group is aware that water consumption will also be lessened by reducing the need for primary resources. This is why the Group qualifies the circular economy issues as key to its strategy, as detailed in 4.2.5.

4.2.4 Biodiversity and ecosystems [E4]

VusionGroup recognizes that biodiversity and ecosystems are essential to sustain human life and adheres to the United Nations' Sustainable Development Goal 15 "Preserve and restore terrestrial ecosystems, ensuring sustainable use, sustainable management of forests, combating desertification, halting and reversing the process of soil degradation and halting the loss of biodiversity". The Group is not in a position to publish the information required by ESRS-E4-1 and E4-2 on the Transition Plan and related policies in terms of Biodiversity and Ecosystems due to a lack of data and action plan. Material IROs are linked to the production of products and therefore to the upstream value chain. In 2025, the Group will work on a policy presenting the consideration of biodiversity and ecosystems in the strategy and business model.

4.2.4.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model [E4-1]

The extraction of raw materials for electronic production is a complex process that has significant environmental impacts:

- materials such as lithium, cobalt and rare earths are essential for electronic devices. Their extraction can lead to the destruction of natural habitats and the loss of biodiversity;
- mining can release toxic substances into the environment, contaminating soil and water and affecting flora and fauna.

The transformation steps in the electronics industry include extraction (impacts: soil fragmentation then pollution) and metal purification (refining and separation of rare metals from the rest of the rock) phases, which consume water and pollute water with chemicals needed for metal purification. This pollution has a negative impact on biodiversity and living beings.

(1) Our suppliers are considered strategic when they meet one of the following criteria: They are our EMS (Electronics Manufacturing Services). They provide a component critical for our products or fundamental to production. They have a monopoly on a specific component. Their activity has a strong environmental impact.
(2) https://ecovadis.com/solutions/academy/
(3) https://unglobalcompact.org/academy
(4) https://academy.responsiblebusiness.org/learn

The main drivers of biodiversity loss are therefore changes in land use and pollution. They are followed by issues related to high water consumption: this can lead, among other things, to the depletion of groundwater and rivers, thus reducing the availability of water for natural ecosystems. This can affect aquatic and terrestrial habitats, endangering species that depend on them.

Traceability of these negative impacts is made difficult by the complexity of the upstream value chain:

- VusionGroup based its assessment of double materiality on available sector information, including the WWF Biodiversity Filter, and has chosen to focus, for its analysis and for its action plans, on its Tier 2 suppliers for which traceability is possible from an operational point of view - cf. infographic 4.1.3.1 Presentation of the value chain;
- These Tier 2 suppliers carry out activities focused on supplying our Tier 1 (EMS) suppliers with electronic components and batteries.

4.2.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model [ESRS 2. SBM-3]

We have mapped our strategic Tier 2 suppliers according to their location using the WWF Risk Filter Suite (see 4.2.4.3). The analysis was carried out on the basis of data available to date, without specific projections over time.

In addition, the top 16 of our Tier 2 suppliers were audited on site by our Quality team or co-audited with our EMS, to identify their specific environmental impacts, risks and opportunities.

At least, they all have ISO 14001 certification[(1)].

4.2.4.3 Management of impacts, risks and opportunities related to biodiversity and ecosystems [E4. IRO-1]

Presentation table of material IRO for ESRS E4

Positive impacts	Negative impacts
	Negative impact on ecosystems and biodiversity related to the extraction and processing of raw materials in the value chain, which may cause environmental degradation, including habitat destruction, pollution, deforestation, soil erosion and water contamination.
Risks	**Opportunities**

Biodiversity and ecosystems were identified as material challenges for our upstream value chain during the double materiality workshops. carried out with the team in charge of strategic sourcing and the team in charge of product quality.

Beforehand, all employees involved in the workshops were asked to obtain information and read:

- The ENCORE tool, which highlights how companies may be exposed to accelerating environmental changes. The tool provides a level of granularity by business sector, to explore the risks related to natural capital.
- The SASB standard, available for 77 business sectors, identifies the risks and opportunities related to sustainable development that are most likely to affect an entity's cash flows, access to financing and short-, medium- and long-term cost of capital as well as the information topics and parameters most likely to be useful to investors.

It is these readings that have enabled us to familiarize ourselves with the physical and systemic risks associated with biodiversity, at the level of our suppliers. However, this assessment must be continued in the coming years in order to better understand the risks and negative impacts. For this first year, we did not consult the communities that may be affected by the biodiversity impacts of our suppliers.

We carried out an analysis of the sites of our Tier 2 suppliers, in order to verify if they are located in a protected area. We used the WWF Risk Filter Suite, which provides a mapping of "key biodiversity areas" (KBA). They are the most important places to preserve in the world, for species and their habitat.

The proposed scale ranges from "very low risk" to "very high risk" in five steps.

(1) ISO 14 0001 includes several areas of analysis concerning water management: 1) Regulatory compliance and water management; 2) Water consumption and optimization; 3) Management of water discharges and pollution; 4) Awareness and continuous improvement; 5) Risk management and contingency plans.

Suppliers	Aqueduct Water Risk Atlas	WWF Risk Filter	ISO14001 Certification
Supplier 1 Tier 2	Moderately high	Low risk	Yes
Supplier 2 Tier 2	Moderately high	Medium risk	Yes
Supplier 3 Tier 2	Moderately high	Medium risk	Yes
Supplier 4 Tier 2	High	Low risk	Yes
Supplier 5 Tier 2	High	Very low risk	Yes
Supplier 6 Tier 2	Moderately high	Very low risk	Yes
Supplier 7 Tier 2	Low - medium	Very low risk	Yes
Supplier 8 Tier 2	Moderately high	Medium risk	Yes
Supplier 9 Tier 2	Low - medium	Medium risk	Yes
Supplier 10 Tier 2	Moderately high	Very low risk	Yes
Supplier 11 Tier 2	High	Very low risk	Yes
Supplier 12 Tier 2	Moderately high	Very low risk	Yes
Supplier 13 Tier 2	Low - medium	Very low risk	Yes
Supplier 14 Tier 2	High	Low risk	Yes
Supplier 15 Tier 2	Low - medium	Very low risk	Yes
Supplier 16 Tier 2	Low - medium	Very low risk	Yes

After analysis, none of the Tier 2 supplier sites is located in a high or very high risk area.

4.2.4.4 Policies [E4-2], actions and resources [E4-3] related to biodiversity and ecosystems

To date, VusionGroup does not have a formal biodiversity policy. A working group will be set up in 2025 to remedy this, in line with the pillars of action to be taken with our Tier 2 suppliers:

- sign the revised supplier code of conduct, which will include increased requirements, particularly in terms of biodiversity;
- follow the "Biodiversity Management" training on the EcoVadis Academy platform[1] and provide us with their certificate of completion validating this training;
- in subsequent years, complete other training courses of the UN Global Compact Academy[2] and the Responsible Business Alliance (RBA) Learning Academy, the home of RBA and RMI Sustainability online training[3]

In addition to the commitment of our suppliers, the Group is aware that biodiversity will also be preserved by reducing the need for primary resources. Reducing the amount of natural resources needed to produce electronic labels will involve less water, and therefore a lesser impact on biodiversity. This is why the Group positions its challenges on the circular economy as being at the center of its strategy, as detailed in 4.2.5.

The Group plans to include a transition plan incorporating biodiversity and ecosystems in its strategy and business model in its future sustainability reports.

4.2.4.5 Indicators and objectives related to biodiversity and ecosystems [E4-4]

Biodiversity represents a risk for tier 2 and higher suppliers, so it has not been prioritized. These objectives will be subject to performance monitoring during the 2025 fiscal year and will be supplemented in the future after formalization of the dedicated policy.

(1) https://ecovadis.com/solutions/academy/
(2) https://unglobalcompact.org/academy
(3) https://academy.responsiblebusiness.org/learn

4.2.5 Circular economy [E5]

4.2.5.1 Management of impacts, risks and opportunities related to the circular economy [ESRS 2. IRO-1]

Identification of IROs in terms of resource use and circular economy

Presentation table of material IROs for ESRS E5

Positive impacts	Negative impacts
Risks	**Opportunities**
Risk of financial costs related to the producer's liability when selling a new product. Lack of insight into market requirements / demand for refurbished ESLs, resulting in storage costs and label depreciation.	Opportunity to generate new service offerings such as battery exchanges, refurbishment, recycling processes to reintegrate our components.

The process for identifying material IROs is described in Section 4.1.5.

To identify the material IROs on the specific issue of the circular economy, the Sustainability team contacted various teams during a dedicated workshop:

- the Research & Development team, which has an overview of the composition of products, the specificities of the materials used as well as their performance and recyclability;
- the Strategic Procurement team, which is aware of current procurement opportunities and implementation challenges. This team is crucial because it knows the stakeholders throughout the value chain;
- the team in charge of the "Second Life" program, which knows the feasibility, processes and market expectations;
- the team in charge of product end-of-life?
- waste treatment regulations in Europe and the United States;
- our Tier 1 (EMS) subcontractors in order to understand the possibilities (technical, available capacities, costs) of organizing recycling flows and processes.

VusionGroup also initiated discussions with suppliers of label fasteners: they gave us their opinions and perspectives on the integration of recycled materials with their products.

The prerequisites of certain customers also guided us in understanding the market's expectations and where the Group has a competitive advantage.

4.2.5.2 Policies related to resource use and circular economy [E5-1]

To date, VusionGroup does not have a formalized policy on the subject but rather action principles that have guided the creation and design of electronic equipment since the company's creation: being able to dismantle an electronic label in order to replace its component parts is an integral part of the specifications and the expression of need when creating a new product.

The main design principles of electronic equipment are summarized in the infographic below. These principles aim to leverage the circular economy throughout the life cycle of the label, from its design phase to the supply chain, including refurbishment and recycling. As these principles are deeply rooted in the corporate culture, the Group did not consider it necessary to formalize them, but it will be done for the following fiscal years.

1

Circularity in the product design phase
VusionGroup products are designed to be disassembled, in order to facilitate their repair, refurbishment or recycling. Spare parts are chosen for their availability and ease of disassembly.

4

Circularity at end-of-life of labels, according to the compliance principles specific to each country

When the labels cannot be repaired, the recycling channels take over. European rules require *a priori* funding for future destruction of end-of-life products. These systems are based on the principle of extended "producer" responsibility (*i.e* the person responsible for marketing the products).

2

Circularity in the supply chain

The Group is seeking to reduce its use of virgin materials, both to minimize the risk of shortages and to address sustainability issues.

3

Circularity at the end of the label's first life

In the majority of cases, the label can be repaired at the end of its first life: the battery is changed, the case and the closing mechanism are replaced. VusionGroup is constantly looking for new methods to give a second life to labels, or at least to be able to reuse their components if they are in good condition.

4.2.5.3 Actions and resources [E5-2] related to resource use and circular economy

Actions and resources related to resource use and circular economy

Several teams within VusionGroup have a role in promoting the circular economy. It is also a matter of mitigating the risk of availability of certain components, subject to supply tensions or increases in energy costs.

Eco-design or modular design

Vusion's products, whatever their destination market, are manufactured in a modular way, so that they can be easily repaired, refurbished or recycled. For example, batteries can be easily replaced independently by the customer. Assembly is carried out without glue in order to promote recycling and cases can be reused when they are in good condition. This action plan has been implemented for several years and the related results are detailed in 4.2.5.4.

Integration of secondary components

VusionGroup includes recycled components in some of its hardware SKUs. For example:

- Integration of recycled plastic in the casing of certain SKUs (up to 85% recycled plastic used to replace virgin plastic);
- Use of recycled and recyclable packaging, by our EMS and also in our own warehouses (for example, some consumables in our warehouses are made of 80% recycled and 100% recyclable materials).

Implementation of an efficient after-sales service

In order to provide its customers excellent satisfaction with the products and services sold, VusionGroup has set up an effective after-sales service to repair defective products and extend their life. In H2 2024, the satisfaction questionnaire gave a score of 3.3 (out of 4)(1). This plays a crucial role in extending product life and reducing waste. By offering repairs, updates and maintenance advice, VusionGroup encourages its customers to keep their products longer rather than replacing them prematurely. This decreases the demand for new resources and reduces the environmental footprint associated with the production of new goods.

Moreover, 100% of Vusion sales contracts include the minimum one-year warranty, and 10% include the V-Care warranty extension. This figure is set to increase considerably in the coming years: it is part of the Group's commercial strategy to provide a good level of service to customers.

Actions and resources related to the "Second Life" program for ESLs

Customer education on refurbishment and recycling programs

To be able to repackage labels at the end of their life, they must also be able to be recovered from the customer. To this end, VusionGroup implements “buy-back” and “take-back” programs to ensure that the labels eligible for refurbishment are collected before the renewal of the label stock at the customer's.

For non-eligible labels, the customer must be autonomous to call on the eco-organizations in charge of collection and recycling / destruction. VusionGroup gives instructions to the customer to guide them with these procedures.

Development of the “Second Life” refurbishment program

The refurbishment of labels is a crucial component of the Group's decarbonization strategy. When a label is refurbished, its lifespan is doubled.

The numbers speak for themselves: a refurbished label emits 48% less greenhouse gas on average and requires 39.6% fewer resources compared to a non-refurbished label.(2)

When a customer replaces an old generation label with a new one, we collect the old labels and determine whether they should be refurbished, recycled, or destroyed.

The retiring generation of ESLs to be reused or recycled is carefully inspected and sorted with the aim of recovering the components that can be reused, and to carry out the necessary repairs to supply a specific channel with “second life” labels.

Our internal recycling flow centralizes the reverse logistics for used ESLs at two major partner sites of Ingram Micro Lifecycle (one in France and one in Poland). Ingram Micro Lifecycle maintains third-party certifications for the compliance of its management programs, including ISO 14001, ISO 9001, ISO 45001 and others such as TAPA FSR. In addition, Ingram Micro Lifecycle sites focus on the retirement of electronic assets to ensure data security, regulatory compliance and environmental and social responsibility through R2, e-Stewards and other certifications. Ingram Micro Lifecycle has been awarded the EcoVadis Platinum medal for four consecutive years.

In 2024, VusionGroup launched the pilot phase of a new and heavier industrial recycling process requiring a return to the factory for the recovery of components needed to produce new labels.

(1) 114 participants, rating ranging from 1 to 4, the rating of 3 means “Satisfied” and 4 “Very satisfied”.
(2) Figure based on life cycle analyzes of electronic labels sold by VusionGroup

4.2.5.4 Indicators and objectives related to resource use and circular economy [E5-3]

Targets related to resource use and the circular economy

Voluntary target related to the integration of recycled materials:

VusionGroup is getting ready to integrate more recycled materials into its products, such as the actions mentioned in 4.2.5.3. This target naturally aims to promote the circular economy, but it is also a sovereign objective concerning raw materials under pressure or at risk of shortages. Indeed, the use of secondary materials allows us to:

- reduce our need for virgin raw materials and thus become more independent in the production of the products sold.
- rationalize purchases by favoring recycled materials available locally.

This year, VusionGroup has not yet set targets related to the integration of recycled and recyclable components. VusionGroup has mobilized its R&D team to obtain the necessary information, but a thorough analysis of the magnitude of the initiatives and their feasibility to maintain identical product performance must be done before any target communication. However, the group is committed to obtaining the necessary information for the 2025 fiscal year.

Our projects and initiatives for the coming years:

- The launch of our Heavy Refurbishment initiative involves the replacement of screens (EPD), plastics and batteries in our Vusion range, while retaining the printed circuit boards. This ensures that we maintain the integrity and functionality of the main components while extending the life cycle of our products. This project is expected to begin in 2025.
- In 2025, we plan to launch an RMA Center in the United States to efficiently sort and rigorously test the labels returned by US customers, to ensure that we accurately identify those eligible for light or heavy refurbishment.
- Development of a new functionality in our Customer Portal allowing customers to return their end-of-life products or even resell them to VusionGroup *via* our buy-back program.
- Implementation of robotization in our European RMA center to efficiently test and sort products eligible for our Second Life program.
- Creation of a promotional video on the second life illustrating the entire life cycle of an EEG, from its initial installation in the store of one customer to its new use in the store of another customer.
- Creation of a green box and a transport offer to facilitate the return of defective and end-of-life products to VusionGroup.

Voluntary targets related to the "Second Life" program

"Second Life" Program voluntary objective:

The Vusion'27 program has set a target of €15 million per year for reconditioned labels.

Our target of refurbishing 15 million labels per year by 2027 is based on the following renewal forecasts:

To date, this "Second Life" process has primarily involved our customers in Europe, which is home to most of our mature markets.

In the coming years, customers located in Asia and North America will begin the switch to new generation ESLs, thus triggering the same type of reverse logistics flows. We will endeavor to organize these flows in Europe and North America, as close as possible to the markets, so as to avoid too much transport-intensive return logistics.

Note: Refurbishment statistics vary according to our customers' projects and their schedules. We are therefore dependent on our customers' decisions to dispose of their fleet of old-generation labels.

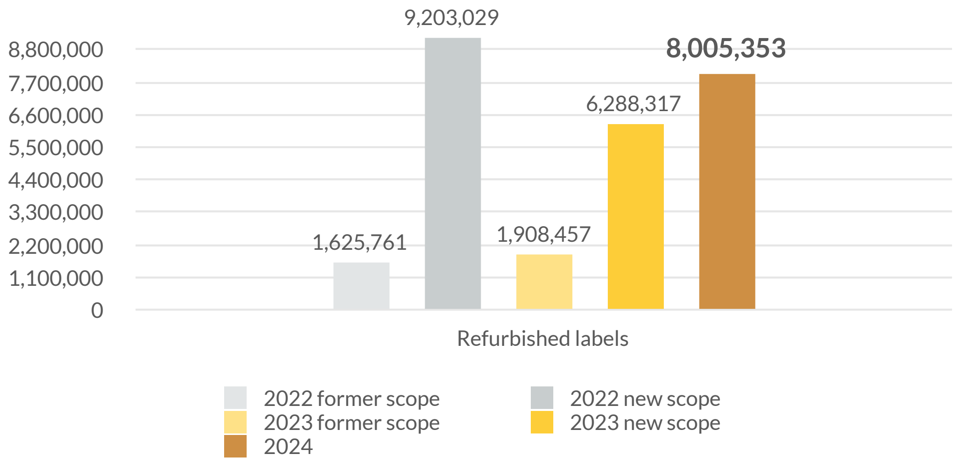
One of the areas for future progress lies in informing customers about the procedure to follow when their label stock has reached the end of its life: the success of the "Second Life" program depends on a few good reflexes and detailed information on the steps to follow for successful refurbishment.

The ease of battery changing in Vusion products is also a comparative advantage in the global market. Today, we are proposing battery changes that can be made:

- in our RMA centers, by Ingram (France and Poland);
- on site, by Vusion teams;
- on site, independently by the customer.

Since the battery is often the limiting factor in the life of Vusion products, and its replacement returns the connected object used in working order, we made a change of scope this year, considering that a change of battery was part of our "Second Life" KPI.

Sales of refurbished labels since 2022



1 2 3 4 5 6 7 8 9

Incoming resources [E5-4]

Quantities/weight sold reporting (market launch) was updated this year, as the weight of cells and batteries was counted twice in previous years: once on the IoT e-waste line, and a second time on the "Cells and batteries" line. The weights of certain items have also been updated in the meantime.

Marketed weight (in kg)	Type of outgoing resources	2024	2023 restated	2023	2022 restated	2022
IoT electronic waste WEEE	Hazardous outgoing resources	**5,497,232**	3,443,467	4,604,938	2,640,486	3,872,821
Cells and batteries		**1,518,829**	1,238,567	1,190,118	956,245	966,287
Packaging	Non-hazardous outgoing resources	**1,053,038**	963,328	895,971	801,904	765,455

The Group's information systems enabled the reporting of these quantities for a scope representing 93% of the Group's turnover in 2022, 95.5% in 2023 and 98.9% in 2024.

This monitoring of market launch provides us with an initial vision of the total weight of incoming and outgoing resources. Then, we use product-by-reference nomenclatures (a list of all the components used in the products sold) to assess the % of secondary materials in the products sold.

Regarding packaging, two different types were considered:

- the packaging used in VusionGroup's warehouses (minority)
- the packaging used by our EMS to send products from the assembly plants to customers (mostly)

E5-4 Resource inflows	Units	Estimates / direct measurements	Scope	2024	2023	Change 2024 / 2023
the total weight of technical and biological products and materials used during the reporting period (§31.a)	Tons	Direct measurements via WEEE reporting	Total sales	8,069	5,645	37%
% of biological materials including packaging) (§31.b)	%		Total sales	0	0	0
Weight of reused or recycled secondary components and intermediate secondary products and materials used to produce products and services (including packaging) (§31.c)	Tons	Estimates via product nomenclature & EMS data	Total sales	18	2	870%
% of reused or recycled secondary components and intermediate secondary products and materials used to produce products and services (including packaging) (§31.d)	%		Total sales	0.2%	–%	0.2 pts

Label holders sold by VusionGroup are not included in this table because reliable data was not obtained from suppliers. VusionGroup uses recycled PC and PVC[1] in its label holders. In 2024, 53 SKUs included up to 100% recycled components. The Group undertakes to collect the necessary information for the next financial year.

VusionGroup has not yet set a target for the integration of recycled materials in the products sold.

Outgoing resources [E5-5]

VusionGroup is a connected object distribution company, and has no production plant in operation of its own. The waste generated by Vusion's own activities (in offices and warehouses) is therefore not material. The Group considers the products placed on the market as its outgoing resources, i.e., packaging, batteries, label holders and electronic labels. The average lifespan of a label sold by VusionGroup is estimated at 7.7 years. This figure represents the average lifespan modeled with the assumption of a standard use defined in advance (classic customer use case, i.e. two price updates per week and two minutes of flash per week). This average life is therefore before battery changes. The "Second Life" program set up by VusionGroup makes it possible to double the life of the label by replacing the battery (among other things, as seen in 4.2.5.3).

VusionGroup has not calculated the repairability score of its sold products, as it has not yet formalized a repairability index. The structuring of such an index will be worked on in 2025.

VusionGroup has not calculated the degree of repairability of its products. As with inbound resources, VusionGroup did not collect sufficiently reliable information from its label holder suppliers to add it to the table below. VusionGroup is committed to making it more reliable for the 2025 financial year.

E5-5 Resource outflows	Units	Estimates / direct measurements	Scope	2024	2023	Change 2024 / 2023
% of recyclable content in products (§36.c)	%	Estimates	Total sales	53.2%	28.7%	24.5 pts
% of recyclable content in packaging (§36.c)	%	Estimates	Total sales	7.4%	6.1%	1.3 pts
Total quantity of outgoing resources (§37.a)	Ton	Measurements taken from WEEE report	Total sales	8,069	5,645	43%
Hazardous outgoing resources (§39)	Ton	Measurements from WEEE report	Total sales	1,519	1,239	23%
Of which: radioactive waste				0	0	

[1] PC Polycarbonate and PVC Polyvinyl Chloride

4.2.6 Information on European taxonomy

Context

The publication of European Regulation No. 2020/852 of June 18, 2020[(1)] (the "Taxonomy" regulation) aims to define a common framework for analyzing the economic activities of companies in order to define those that can be considered "sustainable" within the meaning of the Taxonomy. As part of the European Green Deal, the objective is to direct financial flows toward these types of assets in order to achieve the objective of carbon neutrality by 2050. In this respect, for the 2024 fiscal year, companies must publish the share of their turnover, capital expenditure and operating expenses that are eligible for and aligned with the six environmental objectives described hereafter.

The Climate and Environmental Delegated Regulations define the list of activities covered by the Taxonomy regulation (2020/852). For each activity, a definition is given to meet the eligibility criteria of the activity as well as a list of technical criteria to be respected in order to justify the alignment.

For the 2024 fiscal year, all of the following texts were taken into account when carrying out our analyzes:

- the Climate Delegated Regulation of June 4, 2021, and its appendices on climate change mitigation and adaptation[(2)];
- Delegated Regulation (EU) No. 2023/2485[(3)] amending the Climate Delegated Act (EU) 2021/2139;
- the publication of the last four objectives *via* the Environmental Delegated Regulation (EU) No. 2023/2486[(4)].
- Delegated Regulation Article 8 (EU) 2021/2178[(5)] that defines the methodology and content of the reference indicators;
- all FAQs published by the European Commission as well as guidance on the Platform for Sustainable Finance (PSF) on minimum safeguards[(6)].

Explanation of the European Green Taxonomy

For the 2024 fiscal year, the Group analyzed its activities according to the eligibility and alignment criteria of the six environmental objectives of the Taxonomy..

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of aquatic and marine resources (WTR);
- the transition to a circular economy (CE);
- pollution prevention and control (PPE);
- the protection and restoration of biodiversity and ecosystems (BIO).

The Group must then present the share of its turnover, capital expenditure ("capex"), and its operating expenses ("opex"), associated with eligible and aligned economic activities, where applicable, associated technical criteria as defined by the Taxonomy. An economic activity is eligible when it is explicitly described in the list included at this stage in the Climate and Environmental Delegated Regulations and it is likely to contribute substantially to one of the six environmental objectives.

An eligible activity then becomes aligned when it meets all the technical screening criteria, consisting of specific conditions and the performance thresholds necessary to demonstrate a substantial contribution to one of the six environmental objectives, without significantly harming the other environmental objectives and in accordance with minimum safeguards defined in the Taxonomy Regulation which relate to areas such as human rights, corruption, taxation, and competition law.

(1) https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX: 32020R0852&from=EN
(2) https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=PI_COM:C(2021)2800&from=EN
(3) https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=OJ:L_202302485
(4) https://eur-lex.europa.eu/legal-content/FR/ALL/?uri=CELEX:32023R2486
(5) https://eur-lex.europa.eu/legal-content/FR/ALL/?uri=CELEX%3A32021R2178
(6) https://finance.ec.europa.eu/sustainable-finance/overview-sustainable-finance/platform-sustainable-finance_en

DEFINITION

Eligible activities become aligned if they meet the following technical criteria:

1 SUBSTANTIAL CONTRIBUTION (SC)

The activities comply with the technical screening criteria set for each environmental objective.

2 DO NO SIGNIFICANT HARM (DNSH)

The activities do no significant harm to any of the other five environmental objectives.

3 MINIMUM SAFEGUARDS (MS)

Activities are carried out in accordance with the International Charter of Human Rights and the principles set by the OECD, the UN, or the ILO, in particular on corruption, taxation, and competition law.

Building on its environmental, social, and societal commitments, VusionGroup closely monitors the work of the European Commission to analyze activities in order to direct the investments of public and private players toward projects contributing to the transition to a sustainable and low-carbon economy. To meet these obligations, VusionGroup has set up a working group composed mainly of members of the Sustainability and Controlling departments, supported by a consulting firm since the 2022 fiscal year. This organization will be renewed for the 2024 fiscal year.

Assessment and methodologies

Qualification of the business model's eligibility for Taxonomy

Determination of activities eligible for taxonomy

The analysis of our eligible activities was carried out on all six objectives of the Taxonomy regulation. For the 2024 fiscal year, the following activities are considered eligible, under **individual measures** leading to reductions in greenhouse gas emissions:

Name of the activity	Objective	Group activities	Section
6.5 Transport by motorcycles, passenger cars, and light commercial vehicles	Objective 1: Climate change mitigation	Long-term vehicle leasing expenditure (capex)	4.2.1
7.7 Acquisition and ownership of buildings	Objective 1: Climate change mitigation	Property purchase or lease (capex)	4.2.1

VusionGroup has retained the same approach as last year to value its capital expenditure (capex) under individual measures to lead to reductions in greenhouse gas emissions. The capital expenditure used corresponds to the right-of-use expenditure calculated in accordance with IFRS 16, mainly associated with capex of building and vehicle leases.

In order to identify all potentially eligible activities within the meaning of the Taxonomy, VusionGroup analyzed its 2024 revenue by major category of products and services sold. The analysis covered 100% of the consolidated financial scope, as detailed in Section 5.1 Analysis of 2024 results.

For the 2024 fiscal year, the following activities are considered eligible:

Name of the activity	Objective	Group activities	Section
5.4 Sale of used goods	Objective 4: Transition to a circular economy	Turnover generated by the sale of recycled "second-life" electronic smart labels.	4.2.5
8.1 Data processing, hosting and related activities	Objective 1: Climate change mitigation	Turnover generated by the marketing of the VusionCloud platform. The Vusion IoT Cloud platform helps retailers accelerate their digital transition and transform their physical stores into true digital and automated environments, driven by Data and Artificial Intelligence, connected to consumers and suppliers. The Vusion platform helps retailers benefit from all the "elastic" power of the Cloud to deploy very quickly and manage a large number of stores and digital labels over time at a much lower cost than any other architecture and with peak performance.	4.2.1

1 2 3 4 5 6 7 8 9

Approach to identifying financial indicators (turnover, capital expenditure, and operating expenditure)

The financial information used is taken from the Group's information systems (investment monitoring and consolidated financial statements) approved at the annual account closing date. They were the subject of a joint analysis and control by the consolidation and management control teams in order to ensure consistency with the consolidated turnover and the capex presented in the Notes to the consolidated financial statements.

1. Sales

Definition[1]: The proportion of economic activities eligible for or aligned with the Taxonomy was calculated as the share of turnover from products and services associated with the economic activities eligible for or aligned with the Taxonomy (numerator) divided by the turnover (denominator), in each case for the fiscal year from January 1, 2024 to December 31, 2024. The denominator of the indicator relating to the turnover is based on consolidated turnover, as detailed in section 6.1.1.2 Consolidated income statement.

The activities identified for the Revenue indicator are presented in the tables above (contributing to objectives 1 and 4).

2. Capital expenditure (capex)

Definition[2]: The capex indicator is defined as the ratio between the capital expenditure eligible or aligned with the Taxonomy (numerator) divided by the total capex (denominator) as detailed in Section 5.1.3 Investments.

The numerator aggregates capex related to:

- assets or processes associated with aligned or eligible activities,
- capex plans aimed at aligning a business,
- individual measures, such as vehicle leasing investments.

Total capex according to the taxonomy consists of acquisitions of property, plant and equipment and intangible assets, acquisitions of right-of-use assets (in accordance with IFRS 16) and acquisitions related to business combinations. For VusionGroup, no capex plan was qualified for the eligibility and alignment of the activities presented in the Revenue indicator.

For the Group, the definition of the capex numerator is limited to the individual measures listed above (contributing to Objective 1 only).

3. Operating expenses (Opex)

Definition: The opex indicator is defined as the ratio between eligible or aligned operating expenses (numerator) divided by total opex according to the Taxonomy (denominator).

The numerator aggregates opex related to:

- assets or processes associated with aligned activities (no aligned activities for the Group),
- an existing capex plan to expand an aligned business,
- individual measures, such as purchases of production from aligned activities and measures to improve energy efficiency.

According to the Taxonomy, opex consists of direct costs that cannot be capitalized (research and development costs, building renovation costs, maintenance and repair costs, rents presented in the income statement and any other expenditure related to the ongoing maintenance of assets).

(1) For more details on the accounting principles applied to consolidated turnover, see Section 6.1.2. Note II.1.1 of the financial statements included in the 2024 Universal Registration Document. Reconciliation: Consolidated turnover can be reconciled with the financial statements, see Section 6.1.2. Note 15 in the 2024 Universal Registration Document.

(2) It includes, in particular, assets related to right-of-use assets (IFRS 16). For more details on the accounting principles applicable to Capex, see Section 6.1.2. Note II.1.2. of the financial statements included in the 2024 Universal Registration Document. Reconciliation: Total capital expenditure may be reconciled with the financial statements, see Notes 1 and 2, Section 6.1.2 of the financial statements included in the 2024 Universal Registration Document. They correspond to the total of the types of movements (acquisition and production costs).

Methodology for verifying the substantial contribution

Name of the activity	Assessment of the contribution substantial (SC)	Uncertainties or trade-offs
6.5 Transport by motorcycles, passenger cars, and light commercial vehicles (CCM) - capex	Based on vehicle leases with increased usage rights, according to FAQ 84 of Commission Communication C/2023/267 of October 20, 2023: Vehicle inventory: • belonging to categories M1 and N1, • whose CO_2 emissions are less than 50g of CO_2/km, • whose unladen weight does not exceed 2.6t (FAQ C/2023/267 of the 20th of October, 2023)	Inability to collect the information needed for alignment
7.7 Acquisition and ownership of buildings (CCM) - capEx	• In the case of buildings built before December 31, 2020, an energy performance certificate of at least class A has been issued • Failing this, the building is among the top 15% of the national or regional real estate portfolio in terms of operational primary energy consumption.	Inability to collect the information needed for alignment
5.4 Sale of used goods (CE) - Turnover	1. Reconditioned products are covered by a sales contract. 2. The business implements a waste management plan that ensures that product materials, in particular critical raw materials, and components that have not been reused in the same product are reused elsewhere or are disposed of according to national and European Union legislation. 3. The packaging is composed of at least 65% of materials recycled or certified by recognized systems or has been designed to be reused as part of a reuse system.	The substantial criteria are met: the refurbished products are covered by a sales contract and the packaging is made out of more than 65% of recycled component. Our RMA centers have a compliant waste management plan.
8.1 Data processing, hosting and related activities (CCM) - Turnover	1. Data centers compliant with the European Code of Conduct for Data Centers. The implementation of these practices must be verified by an independent third party and inspected at least every three years. 2. Limited global warming potential for refrigerants used	Under investigation with our Cloud suppliers

Methodology for evaluating activities with regard to technical screening criteria (generic DNSH)

In order to assess the current level of alignment of the activities identified as eligible, the Group carried out a verification of the compliance with the generic technical screening criteria (DNSH) of these activities.

Generic DNSH listed in Appendix A relating to climate change adaptation:

In accordance with Appendix A of Annex I of Delegated Regulation (EU) 2021/2139 on climate change mitigation and Appendix A of Annex I of Delegated Regulation (EU) 2023/2486 on the promotion of the circular economy, the Group has verified compliance with the generic DNSH Adaptation criteria for all its revenue concerned by the alignment. As part of the Group's operational risk management, several risks have been identified as described in section 2.1 of this Universal Registration Document, as well as in section 4.2.1.2 of this Sustainability Statement, concerning physical climate risks. This analysis was conducted in collaboration with our insurance broker according to the RCP scenario methodology proposed by the IPCC.[1].

This analysis was initiated in 2023 and covers all the buildings owned or leased by the Group, as well as the production plants of VusionGroup's subcontractors (including one of the RMA centers we use to refurbish end-of-life electronic labels):

- production and assembly subcontracting sites: the choice of these key sites was made in consultation with the Director of Strategic Purchasing, an in-house expert in the key stages of our value chain;
- R&D centers;
- Group management offices.

In this respect, the Group's main activities and assets have been covered by the due diligence procedures (see the summary table in section 4.2.2.2). The conclusions of the risk and vulnerability analysis of the Group's assets are as follows: none of the assets or activities are affected by major physical climate risks.

(1) Group of intergovernmental experts on climate change

This analysis allowed the group to validate DNSH A in the context of alignment with activity 5.4 Sale of second-hand goods and 8.1 Data processing, hosting, and related activities. As the generic DNSH criteria stated below are not met, alignment was not possible.

Generic DNSH criteria stated in Appendix B related to the sustainable use and protection of water and marine resources:

In accordance with Appendix B of Annex I of Delegated Regulation (EU) 2021/2139 on climate change mitigation and Appendix B of Annex I of Delegated Regulation (EU) 2023/2486 on the promotion of the circular economy, the Group was unable to verify the generic DNSH criteria for the sustainable use and protection of water and marine resources for all its revenue concerned by the alignment.

Generic DNSH criteria stated in Appendix C related to pollution prevention and control concerning the use and presence of chemicals:

In accordance with Appendix C of Annex I of Delegated Regulation (EU) 2023/2486 on the promotion of the circular economy, the Group was unable to verify the generic DNSH criteria for pollution prevention and control concerning the use and presence of chemicals for all its revenue concerned by the alignment.

Due to the complexity of ensuring that the activity does not lead to the presence of hazardous substances in the final product or their placement on the market, alignment could not be demonstrated for this activity.

Methodology for evaluating activities against technical screening criteria (specific DNSH):

For activity 8.1 Data processing, hosting, and related activities, the criteria are currently being verified with our Cloud providers.

For activity 5.4 Sale of second-hand goods, the group's activities are not subject to specific DNSH technical screening criteria.

Methodology for evaluating activities against minimum safeguards (MS):

Compliance with minimum safeguards

The Group has not been subject to any convictions over the period that would call into question compliance with the SM on the various themes.

In accordance with the guiding principles of the minimum safeguards described in Articles 3 and 18 of the Taxonomy Regulation, we conducted an analysis of compliance with these criteria across the entire Group.

We conducted the work based on the clarifications provided by the Sustainable Finance Platform and the “Final Report on Minimum Safeguards” document[1]. Four themes are highlighted by the report and must be covered by the minimum safeguards: (I) human rights (including labor and consumer rights), (II) corruption, (III) taxation, and (IV) competition law.

Compliance with the minimum safeguards was analyzed with regard to the criteria proposed in this report in order to ensure that the Group is not the source of violations of rights and regulations related to these four topics.

We have conducted the review of minimum safeguards centrally *via* workshops conducted with the departments concerned.

- **Human rights:** VusionGroup is committed to respecting and promoting recognized human rights and fundamental freedoms in all its activities (see Section 4.3.1.3).
- **Anti-corruption and competitive practices (competition law):** the Group has implemented anti-corruption procedures (see Section 4.4.1.4). In addition, the Group’s Code of Ethics promotes a culture of integrity throughout the Company as well as responsible business practices, in compliance with the laws on competitive practices (see Section 4.4.1.5). The Code is supplemented by the Supplier Code of Conduct to ensure that social concerns are properly taken into account throughout the supply chain. The Group has also introduced procedures to ensure compliance with the Sapin II law on the fight against corruption (see Section 4.4.1.3).
- **Taxation:** The Company considers tax governance and compliance to be important monitoring elements: appropriate tax issue management processes are in place.

(1) https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf

Results

Sales

For the 2024 fiscal year, the Group carried out its analyses including all the activities covered by the annexes of the Taxonomy Regulation, relating to the six objectives as well as the amendments to objectives 1 and 2.

For activity 5.4 Sale of second-hand goods (CE), we were unable to align the revenue generated by the sale of second-life labels, i.e. labels that benefited from refurbishing following their first life in-store.

For activity 8.1 Data Processing, hosting and related activities (CCM), the turnover generated by the VusionCloud platform could represent a strong potential next year, if we can collect all the necessary information from our cloud providers. This solution is already an industrial success, with more than 24,000 stores and 153 million labels now fully managed in the VusionCloud.

Share of turnover from eligible economic activities and/or aligned with the taxonomy by environmental objective — Information for 2024

	Share of turnover/Total turnover	
	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	0%	3.65%
CCA	0%	0%
WTR	0%	0%
CE	0%	0.36%
PPC	0%	0%
BIO	0%	0%

Capex related to individual measures:

The eligibility analysis work focused on all six objectives of the Taxonomy Regulation. An eligibility analysis of activities 6.5 and 7.7 was conducted on the climate change mitigation (CCM) objective.

For the fiscal year 2024, due to insufficient information to define the eligibility of our activities for the climate change adaptation objective, the Group decided to take a cautious approach and report only on eligibility under the climate change mitigation objective.

Eligible investments as defined by the Taxonomy Regulation amounted to €2.7 million in 2024 (relating to long-term leases of buildings and vehicles), compared to an investment total (as defined by the taxonomy regulation) of €161.2 million, i.e. a capex eligibility ratio of 1.7%.

VusionGroup has not yet put in place sufficient reporting to assess the alignment of these eligible investments with the European Taxonomy. We have not yet released the necessary resources to implement the validation processes for the criteria relating to this activity.

Share of capex from eligible economic activities and/or aligned with the taxonomy by environmental objective - Information for the year 2024

	Share of capex/Total capex	
	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	0%	1.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Opex related to activities generating taxonomy-eligible turnover

Due to a non-material opex ratio for VusionGroup, we decided to maintain the same methodology as for the 2023 financial year and to use the opex exemption regime provided for by the Taxonomy regulation. This year, the ratio between the nature of opex as defined by the Taxonomy and the Group's total opex is 1,3%, which allows for the application of the exemption principle.

Share of opex from eligible economic activities and/or aligned with the taxonomy by environmental objective - Information for the year 2024

	Share of opex/Total of opex	
	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Change compared to the previous financial year

In 2023, VusionGroup had no revenue eligible for the Taxonomy, as the investigative work was just starting. The Group intends to gain expertise on this regulation to make an increasingly significant portion of its revenue eligible (or aligned).

Regarding CapEx, the results are very similar to the results for 2023. Only capital expenditure relating to the long-term leases of buildings and vehicles were eligible, i.e. an eligibility ratio of 6.2%.

Regarding OpEx, the Group used the OpEx exemption regime in 2023, as in 2024

Outlook

Environmental effects are fully integrated into the Group's strategic thinking, both in terms of R&D efforts dedicated to reducing the carbon footprint of solutions offered to its customers and in terms of thinking about the virtuous uses of its solutions within distribution networks.

The Group is committed to continuing its efforts to consider the eligibility and alignment of certain activities during the 2025 fiscal year. This involves defining and implementing an action plan to transform the reporting processes and maintaining the Group's ambitions in terms of its Sustainability strategy:

- Activity 6.5 and 7.7 (CCM): We plan to integrate the requirements of the technical criteria into our dealer information collection process. The objective is to work on collecting this information to carry out the analysis of the alignment criteria on the buildings and vehicles available in our catalog as a first step;
- Activity 5.4 (CE): We plan to continue to develop our label remediation program through the Second Life program, which will enable us to increase our share of eligible turnover for this activity. The launch of our Heavy Refurbishment initiative involves the replacement of screens (EPD), plastics and batteries in our Vusion range, while retaining the printed circuit boards. This ensures that we maintain the integrity and functionality of the main components while extending the life cycle of our products. This project should begin in 2025 and allow us to increase our alignment with the Circular Economy objective.
- Activity 8.1 (CCM): the capital expenditure to develop the VusionCloud platform, the expenses for the rental of servers, as well as the turnover generated following its marketing, represent a significant potential for alignment for VusionGroup. The information to be collected is mainly external. This year, we began to solicit our Cloud suppliers to collect the supporting documents.
- Activity 8.2 (CCM): Several solutions from VusionGroup help reduce GHG emissions without being eligible for the European Taxonomy because GHG reduction is not the primary objective of these solutions:
  - The cameras enable a view and inventory of stocks in reserve, real-time monitoring of the filling of in-store stalls, as well as the implementation of corrective actions in the event of anomalies (empty stalls, surplus, end-of-life products, etc.).
  - Connected crates make it possible to transparently track and trace merchandise throughout the value chain, from the production site to the store, and to identify losses and breakages. Better transparency allows a better water management, a reduction in GHG emissions through optimized transport and simplified exchanges between all actors in the chain, as well as a reduction in food waste. The modeling of avoided emissions is at an advanced stage, but substantial criterion number 1 cannot be met because the connected crates are primarily sold for better transparency and traceability of the supply chain.
  - The "pick-to-light" functionality provided by the smart labels marketed by the group allows our clients to centralize online order preparation directly in-store, avoiding the construction of a fulfillment center dedicated to e-commerce activities and thus all associated GHG emissions. The modeling of avoided emissions is at an advanced stage, but substantial criterion number 1 cannot be met because the smart labels are primarily sold for better price and promotion management.
  - The Memory assortment optimization module is a major lever for the decarbonization of the retailer's Scope 3. It makes it possible to establish assortments and planograms based on products with a lower carbon footprint and to promote these same products on the shelves. This solution meets the substantial criterion required by activity 8.2, and therefore can be aligned in the coming years when the product is commercialized on a larger scale.

Comments

Currently, the European taxonomy does not recognize the fight against food waste as an activity eligible for its sustainability criteria. However, it is a priority issue for VusionGroup: a dedicated team has been created to develop use cases and make them a strategic issue. The fight against waste has many environmental and social benefits. By reducing food waste, we reduce unnecessary greenhouse gas emissions, save natural resources and improve food safety (food production is responsible for around 25% of annual greenhouse gas emissions)[1]. By promoting reductions in food waste, the Group hopes to encourage more sustainable and responsible practices, while raising awareness of the importance of this approach.

[1] https://www.fao.org/newsroom/detail/FAO-UNEP-agriculture-environment-food-loss-waste-day-2022/en

4.3 Social information [S1, S2, S4]

The Human Resources Department is a centralized department at the Group's head office, with HRBPs and recruitment staff within the Group's main subsidiaries (Canada/United States, Austria / Germany, Taiwan). The central team lays down the main principles and policies of the Group, and ensures that they are properly implemented in all entities. Compliance with national standards and regulations is ensured thanks to the partnership with specialized firms that handle payroll and carry out the regulatory watch that is essential to ensure compliance with local requirements.

4.3.1 Own workforce [S1]

Stakeholder interests and expectations [ESRS2. SBM-2]

Taking into account stakeholder expectations is described in section 4.1.3.2

4.3.1.1 Impacts, risks and opportunities related to the company's workforce and their interactions with strategy and business model [ESRS 2. SBM-3]

The assessment of material IROs, carried out for all Group employees without distinction by position or geographical location, concludes with the establishment of five impacts, risks and opportunities, of a systemic nature, and confirms the need to maintain a high-quality managerial dialog and attention paid to fairness.

This assessment underpins the strategy based on the following three areas:

- Our **geographic expansion** strategy has resulted in the mobility or recruitment of local sales and technical teams, which are based as close to our customers as possible, to their brick & mortar stores and decision-making centers. The sales force is then the most significant sub-group, with the global expansion of the Group's activity leading to a presence as close as possible to customers. These employees are, by the nature of their mission, rather nomadic and therefore have a specific risk prevention aspect. In-depth knowledge of the retail market and the necessary long-term commitment to customer care is also a retention challenge for the Group's human resources department.

  At year-end 2024, the Group had 949 employees across the world, spanning different cultures, languages, genders, ages, and levels of expertise.

  Our multi-faceted staff enables innovative thinking and original ideas, generating added value for customer solutions.
- Our **innovation** strategy generates a salaried workforce composed, for the most part, of employees working in tertiary working conditions: in fact, one-third of the workforce is linked to research and development functions, necessary to maintain the level of intellectual property and technical expertise necessary for its area of expertise. These highly specialized and highly sought-after positions imply the ability to attract these profiles for the Group, and then to retain them.
- Our strategy of **offering services and customer support** within their establishments, leads to the training of intervention teams working in the field (warehouse staff, in-store installers). It is most often for this type of function that the Group can call on non-employees within its operations. This population also has a workplace safety profile that meets the specificities of their job (described in Section 4.3.1.6 Health and Safety [S1-14]).

The average age of the Group's employees is 36 (34 for women, 37 for men), an average age range that often leads to issues related to parenthood of young children.

There is no risk of forced labor or child labor within Vusion's operations. The Group is committed to offering its employees equal opportunities for recognition and career development, regardless of their origin, gender or beliefs. The Group complies with all regulations and agreements applicable in each country. Employees are hired solely on the basis of their education, professional experience, their potential and ability to adapt, as well as their motivation to join us.

As a result, the Group has developed several action plans, implemented within all Group entities, and described in Section 4.3.1.4.

4.3.1.2 Management of impacts, risks, and opportunities related to company's workforce [ESRS 2. IRO-1]

The process for identifying material IROs for ESRS S1 is described in section 4.1.5.

Presentation table of material IROs for ESRS S1

Positive impacts	Negative impacts
	Infringement of employees' rights as defined by the ILO in case of poor working conditions; Violation of employees' human rights in the event of unequal treatment, harassment and / or violence.
Risks	**Opportunities**
Risk of employee departure and / or difficulties in attracting and retaining employees due to poor working conditions	Transparency and confidence in the managerial dialog that would attract and retain our employees; Attracting employees through multi-faceted staff (nationalities, cultures, ages) and equal rights.

4.3.1.3 Policies related to the company's workforce [S1-1]

The Group's commitment to ethical and sustainable growth is based on the fundamental value of respect for human rights and fundamental freedoms.

VusionGroup has been a signatory of the United Nations Global Compact since 2021. It recognizes the OECD (Organization for Economic Co-operation and Development) guiding principles for multinational companies and the UN Guiding Principles on Business and Human Rights. It strives to ensure that the fundamental conventions of the International Labor Organization (ILO) are applied globally and in particular those on respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labor, and the effective abolition of child labor. The implementation of the policies and the code of conduct is managed by the Group's Legal Department and the Risk, Audit and Internal Control Department. These policies are available on the Group's intranet and also accessible *via* the Group's website.

The principles inspire the internal reference documents:

Policy implemented by the Group	Description of the policy	Scope of the policy	Responsibility
The Code of Ethics (supplemented and detailed by policies to combat discrimination and harassment, the commitment to the values of the United Nations International Labor Organization, the procedure on health and safety at work, labor law policy) and the whistleblowing system	The guiding principles for the company and its employees were set out in the Code of Business Conduct (or Code of Ethics) rolled out in 2021. The purpose of the Code of Ethics is to set out the Group's legal and ethical standards as well as fair and honest practices, compliance with anti-corruption and anti-money laundering laws and laws governing international trade; adherence to the fundamental principle of fair competition; • respect for human rights, anti-discrimination, equal rights, compliance with health, safety, and security conditions; the prohibition of any type of harassment; • matters of confidentiality of information and insider trading.	All stakeholders	The Legal Department and the Internal Control Department ensures that this document is signed by all employees once a year - the Industrial Purchasing Department ensures that the Supplier Code of Conduct is signed once a year - the Partnerships Department also ensures the signing of the supplier code of conduct once a year.
The labor rights policy;	This policy reiterates the right to freedom of association and the right to be part of collective agreements, reiterates the principles of combating forced labor and child labor, and against discrimination and harassment.	All stakeholders	Human Resources Department and Industrial Purchasing Department (upstream value chain).
The human rights policy;	This policy reiterates the major fundamental principles that VusionGroup is committed to respecting and expects from its stakeholders - it is recalled that VusionGroup has signed or is committed to the following initiatives / programs: the principles of the United Nations, International Labor Organization, UN Global Compact, Women's Empowerment Principles and the Women Initiative Foundation	All stakeholders	Human Resources Department and Industrial Purchasing Department (upstream value chain).
Health and safety policy	This policy describes the actions undertaken in terms of training (fire evacuation, accident prevention, etc.), the identification and prevention of musculoskeletal disorders as well as the preservation of the mental health of the workforce.	Own workers	Human Resources Department.
The equal rights policy.	This policy details the action plan in favor of more female management and the means implemented, including mentoring.	Own workers	Human Resources Department.

4.3.1.4 Actions and resources related to the company's workforce [S1-2]

Social dialog

Dialog with employees

The employee satisfaction survey (eNPS®), carried out every six months, is one of the major tools for interaction with employees. The consultation method is described in Section 4.3.1.6.

Regular management appraisals

The Group conducts biannual individual appraisals. These appraisal interviews are an opportunity for each employee to exchange directly with his or her manager about the past half-year. Individual objectives are set in concert, in line with the Company's strategy. A development interview is added to the assessment interview, once a year (at the beginning of the year): this allows the employee to project into the future, and express his or her wishes for training, career development and mobility.

In order to standardize practices across the Group and ensure a consistent and fair application of the appraisal policy, we use our "Foederis" tool, a digital platform that creates a paperless biannual performance interview process. This tool is used in all Group entities.

Each employee and each manager must follow this process according to a consistent method and in coordination with the human resources department: alignment of objectives, identification of training needs, assessment of performance and skills, career management and mobility.

The objective is already to ensure that 100% of the Group's employees undergo a performance review and managerial discussion every six months (98% achieved during H2 2024).

Right to assembly and collective bargaining

VusionGroup recognizes and considers freedom of association and collective bargaining as fundamental rights of its employees: this recognition is formalized in its Labor Rights Policy (available on our website). The Company is also a signatory of the Global Compact. VusionGroup undertakes to comply with the various local regulations and laws in each of the countries where it operates.

The Group respects the individual right of its employees to form, join or not join, to participate or leave freely, trade unions or any other body of their choice to assert and/or defend their interests as well as to bargain collectively to support and/or defend their mutual interests without fear of retaliation (intimidation, discrimination or harassment in any form, loss of salary or dismissal).

VusionGroup also recognizes the importance of dialog with freely appointed employee representatives, employee representative bodies, and organizations (such as trade unions), and supports social dialog.

Finally, at VusionGroup, we comply with all requirements aimed at establishing and maintaining fruitful and mutually beneficial relationships within joint bodies.

Any behavior that does not comply with these rights must be reported. The whistleblowing system is available to all on our employee platform in English and French.

Social dialog is managed by the Human Resources Department, chaired by the Head of the establishment, and coordinated locally in collaboration with employee representatives according to the regulations in each country.

Several company agreements have been negotiated and signed with employee representatives (where this body exists in the subsidiary concerned), then applied worldwide to ensure consistency of practices. Some programs have been developed together:

- Agreements on the organization of working hours;
- Teleworking agreement;
- Code of Ethics;
- IT Charter;
- Right to disconnect;
- Equal rights Program.

4.3.1.5 Remediation of negative impacts and alerts [S1-3]

Two potential gross negative impacts have been identified by the Group:

- Infringement of employees' rights as defined by the ILO in case of poor working conditions;
- violation of employees' human rights in the event of unequal treatment, harassment and / or violence.

In order to remedy these potential negative impacts, the Group is implementing several action plans to ensure:

- work-life balance;
- workplace safety;
- an anti-discrimination and harassment policy;
- and, where applicable, the ability to report any breach of human rights through the whistleblowing system common to all stakeholders, described in Section 4.4.1.3.

4.3.1.6 Action plans aimed at addressing material impacts related to the company's workforce [S1-4]

The action plans to address material impacts are grouped into the following areas:

Transparency and trust in managerial dialog

eNPS®: Employee satisfaction survey

The action plan linked to the employee satisfaction survey described **aims to maintain this half-year consultation and ensure a score higher than +30**[1] (on a scale of -100 to +100) or immediately remedy any decrease in this score, through an in-depth analysis of employees' responses and comments.

Managerial dialog

The managerial dialog described in Section 4.3.1.4, whose objective is to cover 100% of employees, is usefully supplemented by a remuneration policy and the sharing of the value created by the Company:

Remuneration policy

In accordance with the commitments enshrined in the principles set out in the labor rights policy, the Human Resources Department ensures that each employee receives sufficient remuneration to achieve a decent standard of living, as stated in the United Nations' Universal Declaration of Human Rights.

(1) The scoring method is explained in section 4.3.3.1

The Group's goal is to remunerate its employees fairly and competitively in accordance with the industry and the labor markets of each of our countries. We are committed to providing a fair and decent wage as well as ensuring full compliance with applicable laws regarding wages, hours of work, overtime, and benefits.

Particular attention is paid to social protection: the Group offers quality health and retirement coverage to all our employees, as well as to their families and dependents, which is usually well above local regulations and consistent with the high social standards in France.

95% of employees have a permanent employment contract and are recruited locally, thus contributing to the employability and economic development of each of the countries where we operate.

The rapid growth trajectory in VusionGroup sales and financial performance since 2012 is directly linked to the level of commitment and expertise of our teams. It is thus essential that their variable compensation reflect their contributions to the Group's growth and success.

The Company's overall compensation policy is strongly focused on performance, entrepreneurship, and individual responsibility: variable compensation is subject to the achievement of specific and measurable objectives at 80%, the remaining 20% is based on the Group's performance.

The objectives are set in a transparent manner and formally accepted every six months by the employee, before being evaluated at the end of the half-year period through a Human Resources Information System (Foederis), which allows the Group's objectives to be defined at each managerial level and in accordance with professional duties.

Value sharing

In addition to certain local regulations, which provide for profit-sharing schemes for employees, the Group has voluntarily granted performance shares since 2016 to key contributors to the Group's performance.

The objective is to enable a ratio of approximately 40% of the employee population to benefit from these performance share plans, i.e. the target ratio to be maintained according to the Group's growth.

On an *ad hoc* basis, an extension of the beneficiaries, to all employees on open-ended contracts with six months of presence and justifying a performance in line with or above expectations can be put in place, which was the case in 2024: these plans motivate beneficiaries on essential value creation objectives such as growth, financial performance and sustainable development.

These plans make motivation the primary driver of the Company's performance and have become key leverage tools for attracting and retaining the most talented employees, and for involving them in our entrepreneurial culture.

- Some specific national plans are also in progress:
  - In France - a third incentive agreement for the 2023 to 2025 period was signed by VusionGroup SA in 2023. It provides for an even larger potential incentive bonus allocation compared to previous periods;
  - In the United States - specific RSU (Restricted Stock Unit) plans have been implemented in the US entity.

Equal rights

The priority of the equal rights policy at VusionGroup is the access of women to management and executive positions.

Parity within management teams

As a global Group encompassing diverse communities, we are committed to providing equal opportunities to every woman and man employed in the Company, wherever they live or work. Despite this intention, under-representation of women in the overall technology sector remains an issue to be addressed. Not only does technology need more female representation, we are also convinced that diversity in management teams leads to better business performance. Therefore, our objective is to significantly improve the representation of women in management positions.

The objective is to achieve a female representation rate of 30% within the GMB[(2)] in 2027 then of 40% in 2029 (28% in 2024).

To achieve better gender representation, the Group initiated an internal program aimed at expanding the representation of women in managerial roles by:

- the identification of women who have the potential, in the short or medium term, to access positions of responsibility;
- implementing a mentorship program and individual development plans, whereby women are encouraged to make connections with senior management members as mentors who can help to guide them toward the skills that they will require to be able to assume leadership positions in the future.

(2) GMB = Global Management Board

Equal rights Program– Our five-year vision

2021 and 2022	2023 - 2024	2025 - 2027
Discover, measure and embed Equal Rights into our DNA	**A year focused on parenthood and well-being at work**	**Drive positive societal change through all our objectives**
• **Raise awareness on Equal Rights** *Global webinar, Mandatory training* • **Create a community** *42 contributors, clear internal and external action plan* • **Fast-track program for women** *Mentoring, Training plan, Development plan*	• **Facilitating parenthood within the VusionGroup** *Flexibility at work, extended & paid leave for all countries, three free days per year until children turn 12, one free back-to-school day* • **Specific support for young parents** *Mental load training, Return to work interview after birth* • **Promise equal treatment in the workplace** *4.3 / 5 in H1 then 4.4 / 5 in H2 on the issue of the eNPS®* *“Development opportunities are the same for everyone in the Company”*	• **Improving our employer brand** • **Employee participation to create an engaged community** • **Support for engineering schools with the highest rates of gender balance** • **Attracting and retaining top talent** • **Target of 30% women in the GMB by 2027**

Working conditions - Work-life balance

Flexibility

Since 2020, several teleworking agreements have been in place to allow employees to work from home two days a week. The agreements are rolled out in all the countries in which we operate and are widely used, except in certain departments where work cannot be carried out remotely (logistics department, installation department and hardware testing).

Thus, all Group entities are now covered by a teleworking agreement, with the exception of certain positions, which by **their nature cannot benefit from it (warehouse staff, etc.). This policy meets a dual objective of performance and improvement of the quality of life of employees**, by promoting a better balance between professional and private life, by limiting the constraints related to travel, by contributing to sustainable development by reducing the number of car trips while ensuring social ties are maintained.

We ensure that this new way of working takes place in a secure environment. Remote connection is provided by VPN platforms and is authorized for employees who have read the IT Charter and our Code of Business Conduct. This approach is supplemented by employee support systems in order to preserve balance and quality of life, particularly in terms of connection time and health monitoring.

We recognize the importance and benefits of being an agile organization, both in relation to productivity and caring for our employees. For us, flexible schedules that meet the needs of the organization while catering to each individual’s personal circumstances provide the best model.

Workspaces

In order to foster productive teamwork, we have invested in the development of coworking areas intended to offer all of our employees a place to foster social interactions, knowledge sharing, reflection and creativity. These new connected spaces are friendly, airy, bright, flexible and agile to allow the organization of internal and external events, and the installation of new, more spacious and modern showrooms to showcase our products and innovations.

The Group’s goal is to invest in workspaces that promote both accessibility and productive teamwork around the world, so that all our employees can benefit from offices that are easily accessible and well served by public transport, in line with the state of the art in terms of office layout and well-being at work:

- The Group’s headquarters moved to a “High Environmental Quality” (HQE) building in 2014 with best-in-class standards regarding comfort, lighting, sports activities (yoga and pilates), ergonomics, social spaces and other facilities.
- In 2019, the R&D center and headquarters in Austria were transferred to a brand-new building in Fernitz, south of Graz. With space in abundance, it includes a restaurant, a training room for sports, a climbing wall, and leisure areas.
- In 2023, the Taiwan office was completely refurbished to the Group’s standards.
- The Dallas office in the United States has moved to new ultra-modern premises.
- The Belive team from Amiens in France moved close to the train station and the interior fittings were carried out in the same spirit.
- In Mexico City, the team also recently moved to benefit from the same working conditions and

- Many other offices such as Chicago, Milan and Japan have been extended to facilitate growth and modern, connected and spacious facilities.

The Group uses these collaborative spaces to organize and promote numerous social events to foster an interactive environment and effective internal communication. For example, a CEO update is organized at the French headquarters every six weeks and broadcast live around the world in all collaborative spaces in order to share the Group's strategy and transformation programs and provide an opportunity for a social gathering at the office. Another example is the reception of the children of our employees during Kids Days organized in France, Austria, Taiwan and the United States.

Homogeneity of benefits/social policies

In addition, VusionGroup opts for the most favorable benefits for its employees in each of its subsidiaries. In addition to the application of the legislation in force in terms of social protection, the best social standards are put in place, in particular with regard to health and retirement coverage. Very often, French practices are applied to the entire group. For example, parental leave policies are consistent between France and the other subsidiaries.

The Group's objective is to move towards a social policy that is more favorable than local regulations.

Maternity, Paternity & Parental leave

The Company's objective is to support its employees in parenthood regardless of their role, gender, country of residence and family situation. This is why we offer all our employees:

- Flexibility for pregnant women with adapted working hours, to facilitate medical appointments, comfort in transport and minimize fatigue.
- 100% paid paternity and maternity leave worldwide.

Parenthood leave: we are committed to being inclusive and supporting all new parents, regardless of their role, gender, country of residence and family situation. This is why we offer each year:

- Parental leave: 3 additional days of leave are available for parents of children up to the age of 12.
- Back-to-school day: 1 additional day off is available for parents of children up to the age of 7, so that they can accompany their children on their first day of school.

Health and safety

The Group has formalized its health and safety policy, which is available online.

The Group directly employs 949 people worldwide and also sometimes uses temporary employment agencies and subcontractors. The Group's employees work in very diverse environments and thus face different constraints and risks depending on whether their working environment is industrial or tertiary, nomadic or sedentary.

For example, in the context of logistics activities and the installation of in-store solutions, both personnel and subcontractors may be exposed to risks:

- related to the equipment and organization of sites (mechanical and electrical risks, risks related to the ergonomics of facilities, forklifts and lifting machines).

In addition, personnel, particularly in the service sector, nomadic or commercial, are exposed to:

- risks related to business travel (accident or health risks);
- psychosocial risks, in particular since the increase in teleworking.

These risks can have consequences on the health and well-being of personnel and subcontractors. They are subject to appropriate detailed prevention and mitigation measures (in particular checks of personal protective equipment for our installation teams as well as for our logistics teams).

For the sake of personal safety, an external audit was carried out in 2022 and 2023, a prevention plan was implemented in 2023, and an occupational risk matrix was developed:

In 2023, VusionGroup carried out an assessment of the risks related to the various activities carried out by its employees in order to determine their impact. This analysis was carried out in consultation with the publications of the International Labor Organization's (ILO) International Hazard Datasheets on Occupations (HDO).

Although employees in the service sector are generally less exposed to the risk of workplace accidents, concerns include musculoskeletal disorders due to poor posture, slips, bacterial infections, and psychological stress.

In order to mitigate the high and medium risks identified in the matrix and improve occupational safety, we have implemented countermeasures. Occupational health and safety best practices have been established and include the monitoring of occupational health and safety indicators:

Contingency plan	• on-site training of staff in emergency situations (fire prevention) • clear emergency exit signage and unobstructed route • conducting evacuation and fire drills • regular checks of fire alarms and extinguishers • implementing a designated and trained emergency team • providing first aid kits and other first aid equipment
Prevention of musculoskeletal disorder	• medical visits focused on the prevention of ergonomic risks • providing ergonomic workstations
Protection of mental health	• online access to mental health modules through our e-learning platform, • developing a comprehensive prevention policy covering work organization and working conditions • offering flexible working hours options through teleworking agreements to promote a healthy work-life balance • IT Disconnection Charter to ensure a healthy balance by establishing guidelines for IT disconnection.

These measures reflect our commitment to ensuring the well-being and safety of our employees in all areas of their work.

Each country is responsible for coordinating the health and safety of employees, in accordance with the regulations and the local level of risk. International reporting is centralized, summarizing Group-wide days of absences, divided into three categories:

- sick leave;
- accidents on the way to/from work;
- workplace accidents.

Training

We are committed to providing our employees with ongoing training. As we operate in a technology sector, we aim to ensure that all of our employees have the necessary skill sets to grow within the Company and the industry, so that they can fully develop their abilities and expertise.

We are encouraging a more flexible learning culture where our associates can access upskilling classes via our e-learning platform, anywhere and at anytime. We have also increased our investment to offer a wider selection of content.

This is why the Company has stepped up its efforts and invested in new e-learning licenses with LinkedIn Learning to complement the 360 learning platform used for internal e-learning courses.

The number of face-to-face training hours tripled in 2024 vs. 2023 to enable employees to take more technical and expensive face-to-face training courses, while expanding our e-learning training offer, which is particularly suited to younger generations and the geographical spread of our teams around the world.

Our aim is to combine a proactive training policy with a very broad training offer in which employees can choose the online training courses that are relevant to their career and skills according to the time they have available and their personal motivation.

Additionally, during our bi-annual performance reviews, managers and employees look to identify training opportunities in keeping with our people’s needs and the Company’s challenges.

Onboarding, welcoming new employees

Lastly, a blended in-person and e-learning training course is systematically offered every two months to new employees joining the Group. This training course called “on-boarding” brings together new employees, to present the Group, its strategy, products, solutions and goals, while forging links with other employees. A customer visit is systematically organized in such a way as to enable everyone to understand the market we serve and its needs.

The aim is to welcome every new member of the Group to our head office in Nanterre, but the remoteness of North American employees has led to the creation of local welcome sessions specific to each continent for obvious practical reasons (cost savings, carbon emissions caused by travel, and time).

Training on sustainability

In addition to these training hours, a common global training session on carbon emissions was provided in the second half of 2021 to the entire staff by the consulting company performing the independent Group-wide carbon footprint. This training program was organized to:

- raise awareness about climate change and its consequences, risks and opportunities;
- improve the company's employees' understanding of the environmental footprint of their activities, products and actions, with a view to reduce the carbon footprint related to our operations;
- integrate climate considerations into risk management policy (reputation, transition or physical risks).

More generally, these training sessions aimed at thinking about how energy and climate issues will become an essential element in the strategies of all economic players, and to anticipate changes that are likely to occur through regulation, taxation or market forces. Getting ahead of future disruptions will enable the Company to plan ahead, to be resilient in the context of transition, and thus ensure the economic sustainability of its operations.

Since 2023, we have also had access to the EcoVadis Academy platform, consisting of several training modules on the environment, responsible purchasing, human rights, ethics, etc. These training sessions are taken by the Supply Chain Department and the Human Resources Department teams when their business scope can have a real impact on the Group's Sustainability goals.

Since mid-2024, the members of the Sustainability team have been leading the "Sustainability Roadshow" at managerial meetings held in Europe and/or during visits to subsidiaries. It consists of the Climate Fresk workshop and the presentation of the Group's Sustainability strategy, in order to raise awareness of employees on current environmental issues. The meetings have brought together employees from all regions and training has been provided to 20% of the workforce at this stage (see 4.3.1.7).

Since the fourth quarter, we have combined these workshops with an e-learning module available on the 360 learning platform for all employees.

The objective is to have trained 50% of employees by the end of 2025 (20% achievement rate during 2024 – launch year) then to increase this rate by also training our employees outside Europe.

4.3.1.7 Indicators and targets related to the company's workforce [S1-5] - [S1-16]

Targets - Own workforce [S1-5]

Indicators relating to managerial dialog: eNPS®

The managerial dialog includes a half-yearly survey of employees around eight questions as summarized in the table below.

For the eNPS®, in answer to the question "Would you recommend your company?", the feedback from employees may vary from 0 (Not at all likely) and 10 (Very likely).

The employees surveyed are classified into four categories:

- ambassadors (over 8.5);
- passives (6.5 to 8.49);
- non-ambassadors (2.5 to 6.49); and
- detractors (0 to 2.49).

The eNPS® score is then calculated using the following formula: eNPS® = % of ambassadors - (% of non-ambassadors + % of detractors).

eNPS® scores range from a minimum of -100 (if every team member is a non-ambassador or a detractor) to a maximum of 100 (if every team-member is a promoter).

- A rating greater than 0 is acceptable.
- Between 10 and 20 is good.
- Greater than 20 is excellent.

The Group's objective is to maintain an excellent level of eNPS® score above 30.

The eNPS® survey is conducted twice a year (in H1 and H2).

		2024		2023		2022	
Survey statements	**Rating scale**	**H2**	**H1**	H2	H1	H2	H1
I trust the leaders of my company	rating from 1 to 5	4.1	4.2	4.3	4.4	4.3	4.3
I see myself happy working here in three years	rating from 1 to 5	4.0	4.0	4.1	4.1	4.1	4.0
The company's values are in line with my own	rating from 1 to 5	4.2	4.2	4.3	4.2	4.2	4.1
I'm satisfied with my workspace	rating from 1 to 5	4.2	4.2	4.3	4.2	4.2	4.1
I have the resources to contribute to the successful achievement of the strategy	rating from 1 to 5	4.1	4.1	4.2	4.1	4	4.1
I have a strong sense of belonging with my company	rating from 1 to 5	4.1	4.1	4.2	4.1	4.1	4.0
The chances of advancement are the same for everyone (regardless of gender, ethnic origin, beliefs, sexual orientation, disability, etc.).	rating from 1 to 5	4.3	4.3	4.3	4.4	4.3	4.3
How likely are you to recommend your company as a great place to work?	**eNPS®**	**33**	**35**	**40**	**37**	**36**	**25**

Workforce overview [S1-6]

The headcount shown in the tables is not full-time equivalents, but rather the breakdown per person present at December 31st of each year.

Table 1: Information on salaried workforce by gender

The consolidated workforce is also disclosed in the financial notes (Note 24 Section 6.1 of the URD).

Workforce at 12/31/2024	2024	2023	2022
Male	628	566	403
Female	321	281	205
Other	0	0	0
Not declared	0	0	0
Total employees	**949**	**847**	**608**

Table 2: Presentation of the salaried workforce in countries where the Company has at least 50 employees and for Europe, representing at least 10% of its total number of employees in Europe

Country	2024	2023	2022
Europe (more than 10% of employees from Europe)			
France	419	397	248
Austria	181	167	140
Other continents (countries with at least 50 employees)			
United States	99	61	24
Other countries (workforce less than 50 employees)	250	222	196

Table 3: Presentation of information on employees by type of contract, broken down by gender (workforce)

Year	2024		2023		2022	
Gender	permanent workforce	temporary workforce	permanent workforce	temporary workforce	permanent workforce	temporary workforce
Female	307	14	263	18	184	21
Male	597	31	539	27	386	17
Other	0	0	0	0	0	0
Not disclosed	0	0	0	0	0	0
Total by type of contract	904	45	802	45	570	38
Group total	**949**		**847**		**608**	

Apprentices are not included in the reported workforce (temporary workforce). There are no non-guaranteed hours or "zero hours" contracts.

Table 4: Presentation of information on employees by type of contract, broken down by region (workforce)

Year	2024		2023		2022	
Region	permanent workforce	temporary workforce	permanent workforce	temporary workforce	permanent workforce	temporary workforce
Americas (USA, Canada, Mexico)	127	0	86	1	49	
APAC (Japan, Taiwan, Australia, Hong Kong, Singapore)	80	0	72	0	70	
EUROPE (France, Italy, Croatia, Austria, Germany, Denmark, Ireland, Great Britain, Spain, Sweden, the Netherlands)	697	45	644	44	451	38
Group total	**949**		**847**		**608**	

Table 5: Presentation of information on employees entering and leaving the workforce

Employee turnover	2024	2023	2022
Recruitment	**238**	**381**	**206**
of which permanent	*203*	*332*	*169*
of which fixed-term contracts	*35*	*49*	*37*
Departures from the organization	**136**	**142**	**151**
of which resignations	*43*	*50*	*46*
of which dismissals and terminations *with severance packages*	*39*	*29*	*19*
of which scope effect (exit of BOE Digital Technology Ltd), end of fixed term contract (e.g., app*renticeships), end of probationary period*	*54*	*63*	*86*
*Turnover rate**	*6.05%*	*7.05%*	

Turnover rate*: number of voluntary departures / average headcount for the year (sum of headcount at the end of the month divided by 12).

The target is to keep the turnover rate under 10%.

Overview of self-employed workers [S1-7]

The Group makes very little use of temporary staff contracts to carry out the functions and stages of its value chain. The main reason for calling on this type of additional human resources is most often peaks of activity, traditionally experienced at the end of each half-year.

Positions filled under temporary contracts are most often:

- installation workstations in stores, whose role is to put rails and labels on our customers' shelves - in the event of a peak in activity, temporary workers supplement the Group's installation teams
- forklift operator stations to reinforce our warehouses during peak periods of activity.

Year	2024
Non-salaried workforce in FTE	
VusionGroup S.A.	2.5
Other subsidiaries	ND

Collective agreements and social dialog [S1-8]

Below are the countries where the Group operates, and where a significant number of employees are employed, defined by:

- 50 or more employees; and
- representing at least 10% of the total workforce in the region (continent).

Continent	Country	Company	Headcount	Workforce covered by a collective agreement	Collective bargaining agreement	Representative body
Europe	France	Belive SAS	47	44.2%	Syntec Collective Agreement	CSE
	France	In The Memory SAS	76		Syntec Collective Agreement	CSE
	France	VusionGroup S.A.	296		Metallurgy Collective Agreement	CSE
	Austria	PDi Digital GmbH.	20	19.1%	IT collective agreement	No representative body
	Austria	VusionGroup GmbH	161		IT collective agreement	
Outside Europe	Taiwan	Pervasive Displays Inc.	71	0%	No agreement	
	United States	VusionGroup. Inc.	99	0%	No agreement	
Workforce covered by a collective agreement				63.2%		

Diversity [S1-9]

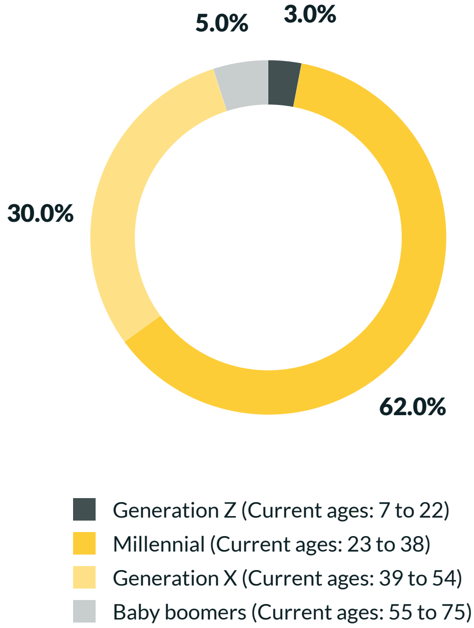
Presence of women in the workforce	**December 31, 2024 %**	**December 31, 2024 Value**	December 31, 2023 %	December 31, 2023 Value	December 31, 2022 %	December 31, 2022 Value
Proportion of women in the workforce	34%	321	33%	281	34%	205
Technical roles held by women	22%	101	19%	82	17%	50
Proportion of women recruited	39%	93	34%	130	41%	85
Female managers (managing at least one person)	30%	70	28%	79	27%	42
Female managers under 35 years old	41%	27	49%	25	49%	18
Among senior executives (GMB members), women represent [1]	28%	6	19%	6	22%	6

(1) GMB = Global Management Board - see Section 3.1.1.2 of this report for more details.

The objective is to achieve a percentage of women in the GMB of 30% by 2027 and 40% in 2030, in line with the Rixain law.

2024 Breakdown of employees by age bracket

	Male workforce	**Female workforce**	**% in age group**
Under 30	168	119	30%
30 to 50	377	179	59%
Over 50	83	23	11%
Total	628	321	



Average age of the workforce

Average age	**2024**	2023	2022
Female	34	34	34
Male	37	37	38
TOTAL	**36**	**36**	**36**

Adequate wages [S1-10]

Ensuring employee well-being and fair remuneration is a priority for VusionGroup. We are committed to ensuring a living wage at all our locations around the world and to providing long-term benefits and incentives to our employees. This commitment is part of our approach to social responsibility and sustainability. In 2024, we carried out an analysis for each country in which the Group has employees, using the benchmark index of living wages recognized by the HDI and proposed by the IDH Benchmark Finder - WageIndicator Typical Family Methodology: all temporary and permanent employees have a decent and adequate salary.

Social protection [S1-11]

% of employees covered by social protection measures (loss of income due to personal events) - accident, maternity, sickness and retirement.	100%

VusionGroup systematically complies with each of the local regulations, and as part of the Group's profit policy, certain non-mandatory contributions are implemented (for example, health insurance in the United States).

Training [S1-13]

Focus on Managerial interview by gender

% of interviews completed in the second half of each year	H2 2024	H2 2023	H2 2022
Female	99	95	99
Male	98	98	99
TOTAL	**98**	**97**	**99**

The objective is to cover 100% of employees present at the dates of managerial interviews, all regions and all positions combined.

Number of face-to-face training hours by gender

Number of training hours (face-to-face)	2024	2023	2022
Female	3,994	1,082	2,051
per female employee	12.4	3.9	10.0
Male	6,213	2,168	3,077
per male employee	9.9	3.8	7.6
TOTAL	**10,207**	**3,250**	**5,128**
per employee	**10.8**	**3.8**	**8.4**

Number of face-to-face training hours per employee category

Number of training hours (face-to-face)	2024	2023	2022
Number of training hours - Employee	6,825	2,208	3,552
Number of training hours - Manager	3,127	980	1,510
Number of training hours - GMB	170	62	66
Number of Executive Committee training hours	85	0	0
TOTAL	**10,207**	**3,250**	**5,128**

Number of e-learning training hours by gender

Number of training hours (e-learning)	2024
Female	1,041
per female employee	4.6
Male	1,491
per male employee	3.6
TOTAL	**2,532**
per employee	**2.7**

Number of e-learning training hours per employee category

Number of training hours (e-learning)	2024
Number of training hours - Employee	2,157
Number of training hours - Manager	343
Number of training hours - GMB	26
Number of Executive Committee training hours	6
TOTAL	**2,532**

1 2 3 4 5 6 7 8 9

Focus on Sustainability training

Since 2023, we have also had access to the EcoVadis Academy platform which is composed of several training modules on the environment, responsible purchasing, human rights, ethics, etc. These training courses are taken by certain employees when their business scope may have a real impact on the Group's Sustainability ambitions (HR team, Sustainability team, purchasing team, quality team, legal team, engineers, etc.). In 2024, a total of 24 employees completed more than 46 hours of training through this platform.

Since the second half of 2024, the members of the Sustainability team have been leading the "Sustainability Roadshow" consisting of the Climate Fresk workshop and the presentation of the Group's Sustainability strategy, in order to raise awareness of employees on current environmental issues. In 2024, more than 190 employees were able to attend this training, representing more than 20% of employees.

In 2025 we aim to reach 50% of employees trained in Europe.

Health and Safety [S1-14]

Work-related injuries

	2024	2023
Number of fatalities related to work-related accidents	0	0
% of fatalities resulting from work-related accidents	0	0
Number of work-related accidents with time off	1	4
Lost Time Injury Frequency Rate	0.6	2.73
Number of cases of occupational illnesses that can be accounted for	0	0
Number of days lost	144	142

The above data covers all VusionGroup regions.
Commuting accidents are not included.
Definition of indicators:

- Percentage of work-related fatalities: number of work-related fatalities/number of hours worked
- Number of work-related accidents with time off: excluding fatalities and serious accidents
- Percentage of work-related accidents: number of work-related accidents/number of hours worked
- Number of illnesses directly related to the work environment: must be approved by a medical institution
- Work-related accident frequency rate: ratio between the total number of workplace accidents resulting in death or total incapacity for at least one day and the number of hours of exposure to the risk, multiplied by 1,000,000

Work-life balance [S1-15]

% of employees able to take leave for family reasons	100%

	Gender	Number of employees	Global workforce	%
% of eligible employees who took leave in 2024	Women	65	322	20%
	Men	142	627	23%
	Grand total	**207**	**949**	**22%**

Remuneration [S1-16]

Ratio of the total annual remuneration of the highest-paid person to the median total annual remuneration of all employees (excluding the highest-paid person);

As a reminder, the differences in method compared to 2023 are as follows:

The remuneration of the Chairman and Chief Executive Officer of the Company calculated in 2023 was calculated as follows:

- as the numerator, the theoretical annual [fixed + variable] remuneration if 100% of the objectives of the executive corporate officer are met, excluding the LTI or performance action plan;
- in the denominator, (for the purposes of representativeness, the scope used is that of the French entity): annual fixed remuneration + theoretical annual variable remuneration, if 100% of the objectives are met, on a full-time equivalent basis for employees on fixed-term contracts and permanent contracts of VusionGroup SA (SES-imagotag SA), present at December 31 of year N.

The ratios calculated between 2019 and 2023 were between 11.7 and 13:

- This calculation includes, in 2024, the long-term remuneration of the Chairman and Chief Executive Officer (performance shares included in their remuneration) as well as benefits in kind, which was not the case in 2023 when only annual remuneration was taken into account;
- This calculation was carried out in 2024 taking into account all employees under permanent contract in the Group scope and no longer only employees of the VusionGroup SA entity. A restatement linked to the cost of living by country has been applied (Numbeo index)[1].

	2024
Calculated ratio	22,37

The gender pay gap, defined as the average pay gap between women and men, expressed as a percentage of the average pay level of men:

Country	Categories of employees (PSC)	Ratio per PSC	Group ratio
Austria	Executive manager	22%	13%
	Non-managerial executive	16%	
	Senior manager	57%	
Canada	Executive manager		
	Non-managerial executive	14%	
	Senior manager		
France	Executive manager	–%	
	Non-managerial executive	13%	
	Senior manager	32%	
	Non executive	–%	
Germany	Executive manager	23%	
	Non-managerial executive	15%	
	Senior manager		
Ireland	Executive manager		
	Non-managerial executive	9%	
	Senior manager		
Italy	Executive manager	46%	
	Non-managerial executive	15%	
Mexico	Executive manager		
	Non-managerial executive	22%	
Taiwan	Executive manager	30%	
	Non-managerial executive	20%	
	Senior manager		
United States	Executive manager	4%	
	Non-managerial executive	16%	
	Senior manager	(4%)	

(1) https://www.numbeo.com/cost-of-living/

Method:

The weighted average of the ratios by category of employee (CSP) and by country was calculated, taking into account a restatement linked to the cost of living for employees outside France (index https://www.numbeo.com/cost-of-living /) and then for all VusionGroup employees. The shaded lines have not been calculated since there is no significant presentation of the two genders. Data for all countries are consolidated using the "Numbeo" cost of living indices.

As a reminder, the method used until 2023 was the "Pénicaud" method calculated on the France scope:

The Pénicaud method, introduced by the law for the freedom to choose your professional future, aims to measure and reduce the pay gap between women and men in France. Calculation criteria include:

- Gender pay gap, by age group and professional category (40 points);
- Difference in individual increase rates (20 points);
- Difference in promotion rates (15 points);
- Increases on return from maternity leave (15 points);
- Number of women among the 10 highest paid employees (10 points);

Overall score:

The total score is out of 100 points.

A score below 75 points requires the Company to implement corrective measures.

Incidents and complaints [S1-17]

The number of incidents and complaints is reported using the same channel as all ethics alerts, the system of which is described in 4.4.1.3.

- Incidents of harassment or discrimination and the corresponding fines;
- Complaints received from staff,
- Non-respect of human rights and the amount of the corresponding fines.

The target is not to have any incidents or complaints relating to non-respect of human rights.

4.3.2 Workers in the value chain [S2]

4.3.2.1 Impacts, risks and opportunities related to workers in the value chain [ESRS 2, SBM-2] and [ESRS 2, SBM-3]

VusionGroup performed its double materiality assessment as described in Section 4.1.5.

According to The Labour Rights Index[(1)], which assesses countries on the basis of applicable labour laws, our EMS are located in countries with a minimum score of 73/100, which defines them as countries with “reasonable access to decent work”. Therefore, none of our tier 1 suppliers are located in at-risk regions (score below 60/100).

Business lines in the value chain:

The Group’s downstream value chain includes in-store installation services and logistics providers as well as subcontractors for customer support. No risks or material impacts on this type of supplier of non-stocked purchases have been identified.

VusionGroup’s upstream value chain is composed of suppliers of:

- non-stocked operating purchases such as suppliers of intellectual services including lawyers, auditors, marketing, travel agencies, IT and R&D consultants located in the OECD area,
- stored purchases representing the most significant purchase amounts (cost of goods sold), provided by suppliers located mainly in Asia and Mexico: it is in this category of suppliers that the materiality analysis has identified material IROs, in terms of potential human rights violations.

The upstream value chain covers:

- the mining of raw materials needed for the electronic component manufacturing industry, up to
- our Tier 2 suppliers (manufacturers of components such as semiconductors, resistors, condensers, connectors, batteries, etc., enabling EMS to produce IoTs), then
- our Tier 1 suppliers (EMS or IoT assembler),
- including a complex, globalized value chain, with many intermediaries.

Electronic Manufacturing Services Companies (EMS), which are our Tier 1 suppliers, employ a variety of skilled employees to meet their production and management needs in Asia and Latin America. Here are some of the main categories of EMS employees:

- Design Engineer: Responsible for the design of printed circuit boards (PCBs) and electronic components;
- Production technician: Supervises the production lines and ensures the proper functioning of the machines;
- Machine Operator: Works directly on production machines to assemble electronic components;
- Test Technician: Performs tests on finished products to ensure quality and compliance with specifications;
- Quality Manager: Oversees quality control processes and ensures that products meet required standards;
- Maintenance technician: Maintains and repairs production equipment.

These different types of employees allow EMS to operate efficiently and meet the requirements of their customers in terms of electronic production. The level of automation on the sites is very high.

Recognizing that its activities may have a direct or indirect impact on human rights and on the health and safety of people (detailed in the table below), the Group undertakes to promote, respect and ensure compliance with human rights in all countries where the Group and its suppliers are present.

For its action plans, VusionGroup has chosen to focus on its suppliers of stocked purchases (Tier 1 and Tier 2) for which traceability is possible from an operational point of view (see infographic 4.1.3.1 Presentation of the value chain). The policies intended for these suppliers indirectly impact our Tier 3 suppliers (that do not generate stocked purchases).

(1) https://labourrightsindex.org/

4.3.2.2 Management of impacts, risks and opportunities related to workers in the value chain

Presentation table of material IROs for ESRS S2

Positive impacts	Negative impacts
	Negative contribution to health and safety, human rights, due diligence across our supply chain.
Risks	**Opportunities**

Workers in the value chain could be affected by the following negative impacts if our suppliers do not comply with the policies (detailed in 4.3.2.3) put in place: minimum living wages, forced labor, child labor, health and safety, working hours, job security.

4.3.2.3 Policies related to workers in the value chain [S2-1]

VusionGroup aligns its policies with the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, as well as the Declaration of the International Labour Organization (ILO), on the Fundamental Principles and Rights at Work. The Group also ensures that all of its activities are aligned with the OECD Guidelines. The Group is not aware of any cases of non-compliance with these principles within its upstream value chain.

Our policies are designed to promote these principles within our operations and supply chain, ensuring respect for human rights and international labor standards at every stage of our business.

The Group is also a signatory of the United Nations Global Compact, thus affirming its commitment to compliance with its ten fundamental principles, including human rights and international labor standards (health and safety).

VusionGroup ensures that it applies the strictest standards in terms of human rights, labor law and health and safety through its policies described in Section 4.3.1.3 (policy in favor of labor rights, policy in favor of human rights), which affirm the Group's commitment to ethical and sustainable growth, based on respect for human rights, health and safety, and fundamental freedoms, both for its workforce and for the workers in its value chain. VusionGroup has also rolled out several policies, supplementing the principles already enacted, for workers in the value chain:

- The Supplier Code of Conduct and the purchasing policy establish the principles governing the supplier relationship: they are described in Section 4.4.1.5 [G1-2] on ethical business management. These documents aim to strengthen the Group's commitments in favor of sustainability, respect for human rights, health and safety and transparency within its upstream value chain.

The implementation of the policies and the code of conduct is managed by the Group's Legal Department and the Risk, Audit and Internal Control Department. The policies are made publicly available via the group's website and the Supplier Code of Conduct is signed by our suppliers each time it is updated.

This supplier code of conduct has also been translated into policies targeting the rights of workers in the value chain:

- the modern slavery policy;
- the declaration in favor of the values promoted by the ILO, and
- the procurement policy for minerals from conflict zones.

The policies confirm VusionGroup's commitment to human rights and fundamental freedoms, by adhering to the principles of the International Labour Organization (ILO), in particular the conventions on the elimination of forced labor and modern slavery and the abolition of child labor.

Policy implemented by the Group, available on our website	Description of the policy	Scope of the policy	Responsibility
Modern slavery policy	This policy complements the supplier code of conduct by introducing the principles of supplier assessment and audit on human rights issues. This policy prohibits all types of slavery (forced labor, child labor, human trafficking) for suppliers in our value chain.	Upstream value chain	The Executive Committee is responsible for approving the policy. The Group's Chief Sustainable Officer and the HR SVP own the policy, approve it and ensure its implementation.
The commitment to the values of the United Nations' International Labor Organization;	Through this policy, the Group is committed to adopting responsible business practices in compliance with the OECD Guidelines for Multinational Enterprises and the ILO standards on responsible business conduct, while guaranteeing ethics, respect for human rights, health and safety, fair working conditions and environmental sustainability.	Upstream value chain	The Executive Committee is responsible for approving the policy. The Group's Chief Sustainable Officer and the HR SVP own the policy, approve it and ensure its implementation.
Our policy on sourcing to ban minerals from conflict zones;	The policy is a reminder that the Group operates in compliance with EU regulations on conflict minerals [tin, tantalum, tungsten and gold - often referred to as 3TG] by requiring its Tier 1 and Tier 2 suppliers to refrain from sourcing these conflict minerals from Tier 3 suppliers and above. These minerals sometimes finance armed conflicts or are extracted through forced labor.	Upstream value chain	The Executive Committee is responsible for approving the policy. The Group's Chief Sustainable Officer and the HR SVP own the policy, approve it and ensure its implementation.

The policies, as well as this Supplier Code, are publicly available on our website and shared with our suppliers when they sign the Code of Conduct.

4.3.2.4 Actions and resources related to workers in the value chain [S2-2], [S2-3], [S2-4]

Interaction process regarding impacts with workers in the value chain [S2-2]

The expectations of the workforce of tier 1 and 2 suppliers are taken into account during audits and negotiation sessions, quality interviews, etc. carried out with several managers of our audited suppliers. To date, there has been no deeper interaction conducted directly with all workers in the value chain.

Procedures to address negative impacts and channels for workers in the value chain to raise concerns [S2-3]

Whistleblowing system

Since 2021, a whistleblowing system has been deployed within the Group, accessible to employees in French and English, but also to customers, suppliers and service providers via a generic e-mail address shared in our code of conduct and supplier code of conduct, as well as in all VusionGroup policies shared on our website. This system is described in section 4.4.1.5. To date, there is no more proactive system, and VusionGroup cannot ensure that workers in the value chain are aware of the existence of this communication channel.

Actions regarding significant incidents on workers in the value chain and their effectiveness [S2-4]

The actions concerning the impacts on the workers of the value chain are part of the broader management of our suppliers of stocked purchases as described in section 4.3.2.5.

The Group ensures the protection of human rights in its value chain in several ways:

- by using world-class Tier 1 suppliers;
- by ensuring signature of the VusionGroup's supplier code of conduct (see indicators section below);
- by initiating several types of investigations explained in Section 4.4.1.5, consisting of auditing our suppliers on various sustainability aspects, including issues relating to respect for human rights

Several prerequisites must be met contractually:

- their sustainability rating level issued by recognized international organizations such as ISS, MSCI, Sustainalytics, Ecovadis (the minimum rating to be achieved is detailed in 4.4.2.4 Management of relationships with suppliers) and, if necessary, they must improve their rating within a specific agreed timeframe;

- their policies and procedures must be aligned with the OECD due diligence guidelines regarding the origin of minerals. This means that VusionGroup's suppliers must refrain from using any ore from conflict-affected or high-risk areas. We verify this through our audits, their EcoVadis rating and their CMRT (Conflict Minerals Reporting Template) report from the Responsible Mineral Initiative (RMI);
- obtain ISO45001 certification, which provides a framework for improving health and safety by preventing accidents and occupational illness and by creating safe and healthy working conditions for workers in our value chain;
- their acceptance of being audited on site every year or every two years by the Group's Industrial Purchasing Department and quality department. Tier 1 suppliers are audited on social issues such as human rights, labor rights, health and safety. The audit process for our suppliers is detailed in Section 4.4.1.5;
- compliance with an "minimum living wage" paid to their employees as defined by the reference index of living wages recognized by the IDH and proposed by the IDH Benchmark Finder - WageIndicator Typical Family Methodology.

As such, we maintain close relationships with our Tier 1 suppliers and therefore verify that all international labor and human rights standards are met through on-site audits every year. We also check their EcoVadis scorecard, focusing on the section on human rights and labor rights not just for our Tier 1 suppliers (see Section 4.4.1.5 for more details on our supplier relationship management methods).

These actions make it possible to prevent and mitigate the negative material impacts identified (health and safety, human rights, due diligence across our supply chain (including conflict minerals, child exploitation and labor).

In the event of an unsatisfactory result from our suppliers, the remediation plan is described in 4.4.1.5.

No incident concerning human rights violations was reported in 2024.

The Quality team, the Sustainability Department and the Purchasing team work together during the year to coordinate the actions of our policies and monitor them with suppliers through audits and evaluations.

4.3.2.5 Indicators and objectives related to workers in the value chain [S2-5]

Targets related to the management of significant negative impacts, the promotion of positive impacts and the management of significant risks and opportunities [S2-5]

VusionGroup is committed to limiting the potential negative impacts and risks described in section 4.3.2.1 concerning the workers in its value chain.

The targets are to ensure that the employer practices of our industrial suppliers comply with ethical standards and include, in particular, proactive measures to protect workers' rights and safety.

The targets were defined in consultation with our industrial purchasing teams and our legal department in order to validate their ambition, but without consulting the workers in the value chain. For the time being, all the targets exclude the Captana value chain.

The Group has set the following targets for 2025:

- ensure that the Supplier Code of Conduct is signed and achieve a coverage rate of 99% of our stock purchases;
- audit all our EMS.

Our indicators to monitor these objectives are :

Signature and sustainability **assessment campaign carried out on our stock purchases in 2024**[1]	**Achievement rate**
Percentage of inventoried purchases whose suppliers were audited in 2024	92.80%
Signature of the Industrial Suppliers Code of Conduct[2]	99.64%
Reporting on conflict minerals[3]	98.48%
Percentage of purchases in stock where the supplier is ISO45001 certified	88.55%

These indicators are calculated by relating the amount of purchases (denominated in euros) corresponding to the supplier meeting the evaluation criteria to the amount of consolidated purchases (denominated in euros) of the group for the fiscal year, except for the subsidiary Captana GmbH, which is not yet integrated into our centralized information systems.

(1) This table does not include Captana's stored purchases.
(2) cumulative indicator: Supplier Code of Conduct signed by suppliers between 2022 and 2024
(3) % of suppliers who share the CMRT[1] report (Conflict Minerals Reporting Template): standardized questionnaire developed by the Responsible Minerals Initiative (RMI), allowing companies to collect information on the origin of so-called "conflict" minerals (tin, tungsten, tantalum and gold - 3TG) in their supply chain.

4.3.3 Consumers and end-users [S4]

4.3.3.1 Impacts, risks, and opportunities related to consumers and end users [ESRS 2. SBM-3]

Ensuring transparency towards consumers

The product's price, freshness, composition, quality and origin are the main attributes that count for food purchases. Consumers are demanding transparency in order to make more informed choices in stores.

As the amount of information to be displayed increases (regulatory or otherwise), electronic labels become the appropriate response for rapid, productive and efficient updates, to ensure that the information presented to the customer is always accurate and compliant with regulations or information given by the supplier (origin, composition, carbon footprint, etc.). In addition, legislation is evolving in this direction with the European Digital Product Passport and the Food Safety Modernization Act in the United States, which will require retailers to have greater transparency in stores.

Thanks to its size, the label can facilitate access to greater information. VusionGroup is also developing technologies that enable interaction with the customer (NFC[1], QR codes), thanks to the electronic label / smartphone connection, in particular for health features.

For example, there is some essential information to help consumers in the aisles:

- Allergens: food allergies are a real public health issue. Food allergies affect a growing proportion of the world's population. Here are some key statistics[2]: approximately 2% to 10% of the world's population suffers from food allergies. Food allergies have increased significantly in recent decades, particularly in developed countries. Children are more often affected than adults, with a prevalence of up to 8% in children under the age of three. The most common food allergens include milk, eggs, peanuts, nuts, fish, shellfish, wheat and soya.
- Nutritional information: to improve nutrition and prevent related chronic diseases, international organizations recommend various strategies, including nutrition labeling, which electronic labels can disseminate, regardless of the presence of packaging or not. Obesity is a major global public health problem. Here are some key statistics[3]: In 2022, approximately 1 in 8 people worldwide were obese - Since 1990, adult obesity has more than doubled and that among adolescents has quadrupled.
- Environmental information: the organic label, a good eco-score, a "sustainable" or "committed producer" badge, etc. These are easily recognizable logos that electronic labels can display in stores. Foods that have traveled around the world to reach our plates have a greater impact on our environment. It takes more energy to transport, refrigerate and store them, and often more packaging is required to keep them cool. Meat-based foods also have a much larger carbon footprint compared to vegetarian alternatives.
- Ethical information: the "fairtrade" label illustrates initiatives to promote fair trade products, ensuring decent working conditions and a fair price for producers.

Electronic labels can also be used to improve accessibility and inclusion in stores. Indeed, VusionGroup has started a partnership with NaviLens, to enable visually impaired people to better move around in stores. They find it difficult to use traditional signage and therefore cannot be autonomous in unfamiliar environments. Visually impaired users can use NaviLens codes, as they do not need to know exactly where they are located. The QR code works over a distance 12 times greater than the standard QR code, and can be read in all lighting conditions, at a wide angle of 160°.

4.3.3.2 Management of impacts, risks and opportunities related to consumers and end users [ESRS 2. IRO-1]

Presentation table of material IROs for ESRS S4

Positive impacts	Negative impacts
Ensure transparency of information (price, origin, etc.) for the end consumer	
Risks	**Opportunities**

(1) NFC: Near Field Communication
(2) https://www.opa-pratique.com/journal/article/007149-epidemiologie-mondiale-lallergie
(3) https://www.who.int/en/news-room/fact-sheets/detail/obesity-and-overweight

4.3.3.3 Policies, actions, and resources related to consumers and end users

To date, VusionGroup does not have a formalized policy or specific objectives regarding the information sent to the end consumer. The actions carried out, without precise targets established at this stage, are summarized in four major areas in order to multiply the possibilities for consumer information:

- 100% accuracy when synchronizing in-store prices in order to guarantee consumers reliable information when shopping and avoid leading them to buy a product at the wrong price;
- partnerships with companies that provide reliable information on the nutritional or environmental characteristics of products (HowGood, SpoonGuru, etc.);
- technologies to connect electronic labels in stores with the most widespread personal electronic equipment such as smartphones: this has been the case with the inclusion of NFC (near field communication) technology in labels, and more recently with two-dimensional barcodes (QR CODE) that store a multitude of information readable by several stakeholders throughout the value chain.

2D codes offer several advantages:

- increased storage capacity: They can store much more information than traditional barcodes in a smaller space;
- flexibility and versatility: Used in different areas such as logistics, healthcare or points of sale for greater transparency and optimization;
- traceability and security: They allow better traceability of products and increased security through the integration of additional data;
- partnerships to facilitate the inclusion of people with disabilities (blind and visually impaired) to enable them to access information in suitable ways.

4.4 Governance information [G1]

4.4.1 Business conduct [GOV-1]

4.4.1.1 The role of the administrative, management and supervisory bodies

Ethics issues in business practices, in supplier relationship management, in anti-corruption and cyber risk management are managed by the Finance Department and its departments (Internal Control Department, Information Systems Department and Legal Department) and supervised by the Audit Committee, which refers the matter to the Board of Directors (see section 4.1.2.2 for a summary of the information sessions held by the Audit Committee in 2024). The members of the departments in charge of business conduct and the fight against corruption have suitable training and/or experience in this area.

The skills of the members of the Board of Directors are subject to an annual assessment, as described in sections 3.1.2.6 and 3.1.2.13, and the more specific skills in ethics and governance are assessed by a questionnaire to which the directors responded. The responses are summarized below in a simplified format of the issues for ease of reading.

Standards	Material challenges for VusionGroup	Emmanuel Blot	Peter Brabeck-Letmathe	Cenhui He	Kevin Holt	Rong Huang	Candace Johnson	Franck Moison	Hélène Ploix	Xiangjun Yao
	Governance									
ESRS G1	business conduct	✓	✓	×	✓	×	✓	✓	✓	✓
	cyber risks	×	×	×	✓	×	✓	✓	✓	✓

Key

× *no expertise in the field*

✓ *expertise in the field*

4.4.1.2 Management of impacts, risks and opportunities related to business conduct [ESRS 2. IRO-1]

Presentation table of material IROs for ESRS G1

Positive impacts	Negative impacts
	Legal risk and reputational risk (decrease in customer attraction, recruitment difficulties) if the Group were to be subject to a sanction resulting from an ethical breach or corruption within its own operations.
Risks	**Opportunities**
IT security breaches that could lead to an interruption of activities within the Group's own operations: IT systems may be decommissioned to contain the breach and repair the damage, recover or restore information. Risk of interruptions in the supply chain that could affect the availability of products or services for customers, leading to dissatisfaction, due to supplier relationship management problems, including late payments or disputes.	

The specific risks identified during the double materiality analysis are:

- Reputational risk resulting from a data breach within its operations;
- Legal and reputational risks if the Group were to be subject to a sanction resulting from an ethical breach observed in its operations;
- The quality of supplier relations, and in particular compliance with payment deadlines.

1 2 3 4 5 6 7 8 9

4.4.1.3 Policies related to corporate culture and business conduct [G1-1], action plans and targets

VusionGroup manages its activity in compliance with international regulations relating to corruption, in particular by complying with the Sapin II anti-corruption law in France (FCPA international equivalents, UK[1] Bribery Act, etc.), as well as the recommendations of the AFA (French Anti-Corruption Agency) which ensures compliance with the standards set out in the UNCAC (United Nations Convention Against Corruption).

Policy implemented by the Group	Description of the policy	Scope of the policy	Responsibility
The Code of Ethics (supplemented and detailed by policies to combat discrimination and harassment, the commitment to the values of the United Nations International Labour Organization, the procedure on health and safety at work, labor law policy).	The guiding principles for the company and its employees were set out in the Code of Business Conduct (or Code of Ethics) rolled out in 2021. The purpose of the Code of Ethics is to set out the Group's legal and ethical standards as well as fair and honest practices, compliance with anti-corruption and anti-money laundering laws and laws governing international trade, adherence to the fundamental principle of fair competition, matters of confidentiality of information and insider trading.	Own workforce	The Legal Department and the Internal Control Department ensure that this document is signed by all employees once a year –

This Ethical Code is regularly reviewed in the light of:

- the analysis of the Group's compliance system;
- the new corruption risk, drawn up for the Group scope, map resulting from a new interview campaign conducted with all the departments and presented to the Audit Committee on December 11, 2024. The domains most exposed to the risk of corruption and bribery, identified during this mapping, are the commercial and purchasing functions.

This analysis is revised as the Group grows and expands.

The Group has set itself the objective of ensuring that all employees sign the Company's Code of Ethics, thus formalizing their understanding of and adherence to the Group's values. Signature campaigns are renewed each year during the first quarter and during on-boarding for newcomers. The Code of Ethics is available online on the Group's website and on the Group's internal portal, accessible by all employees and translated into the Group's various languages.

Code of Ethics signature

	2024	2023	2022
Code of ethics signature rate (all Group employees)	95%	91%*	95 %

* Signature campaigns do not include the recent acquisitions made in 2023 (Belive and In The Memory) and being integrated at the time of signature.

e-learning, training and communication

In order to facilitate internal compliance with its values and policies, the Group relies in particular on its e-learning training course to understand the laws, Group values and the existing system, and to illustrate by way of specific cases, the rules set out in the Code of Ethics; the teams are trained on ethical business conduct, conflicts of interest, passive and active bribery, bribes and facilitation payments, gifts and invitations, charities and sponsorship as well as the alert process. This training is mandatory for all new hires and is part of the onboarding process. In addition, populations exposed to the risks were defined (mainly Sales and Operations) on the basis of the breach of probity scenarios identified in the Group's corruption risk mapping. Currently under development, the training program will be rolled out on H1 2025. Executives and exposed employees will thus have to attend a mandatory training module, in webinar or face-to-face format depending on the employee's geographical area and adapted to their activities. This training will address the various laws and regulations relating to the fight against corruption in the world, the various concepts related to probity (corruption, conflict of interest, facilitation payments, gifts and invitations) as well as practical cases adapted to the trained population. In addition, the Group's top management (GMB)

(1) FCPA: Foreign Corrupt Practices Act

receives training during dedicated sessions (one session in 2024). Lastly, the Board of Directors is regularly informed and made aware of issues related to the fight against corruption and the progress of the Group's compliance program through the work of the Audit Committee. In addition to e-learning and training for exposed employees and top management, communications or awareness-raising sessions on specific themes are organized, for example on gifts and invitations in the run-up to the Christmas holidays.

Focus on the whistleblowing procedure and the protection of whistleblowers

Since 2021, a group whistleblowing system has been deployed within the Group, accessible to employees in French and English, but also to customers, suppliers and service providers via a dedicated e-mail address. VusionGroup has integrated the obligations related to the protection of whistleblowers (in particular the Waserman law). These elements are reiterated, in particular in the policy dedicated to the Group's whistleblowing system (recently updated) and available on the Group intranet.

The Group whistleblowing system ensures that alerts are kept confidential, with alerts only visible to specially authorized members of the departments in charge of business ethics and the fight against corruption and not directly involved in the field targeted by the alert.

In addition, each alert is processed in accordance with the Group's whistleblowing policy: attribution to the processing team, acknowledgment of receipt within seven working days, notification at the end of the investigation, etc. The alert processing team is multidisciplinary and has the skills to qualify the various alerts and define a processing strategy: depending on the nature of the alert, internal processing or recourse to external expertise may be considered, systematically in compliance with the regulations in force (protection of the whistleblower, anonymity, data retention, etc.). Lastly, the conclusions of each investigation are transmitted to the Board or the Executive Committee in a confidential manner, thus guaranteeing informed decision-making in line with the Group's values.

The system set up on the internal platform guarantees the principle of confidentiality of reports.

The conflict of interest procedure

The purpose of the conflict of interest policy (part of the Code of Ethics) is to ensure that the decision-making process within the Group is not affected by conflict of interest situations (a conflict of interest arises when an individual is confronted with a choice between the duties and requirements of their position and their own private interests)

The procedure is intended to help everyone, including our employees, senior management and the Board of Directors, to identify and manage potential conflicts of interest. It also includes the procedure for making the mandatory Annual Declaration for senior executives and members of the Board of Directors. This declaration is optional and to be completed on a case-by-case basis for the Group's other employees. The declaration system is available on the Group's internal portal, to which every employee has access. The declaration of members of the Board of Directors is made on a separate document initiated by the Group's Legal Department.

4.4.1.4 Policies related to the prevention and detection of corruption and bribery cases [G1-3; G1-4], action plan and targets

The Group has a compliance program to meet the requirements of the so-called "Sapin II" law, in particular the prevention and detection of breaches of integrity.

The Group has an e-learning program (presented in section 4.4.1.3), which is mandatory for all Group employees, dedicated to raising awareness of ethical principles, preventing conflicts of interest and presenting the whistleblowing system. In addition, individualized training and prevention programs based on identified risk situations are deployed for top management and are ongoing for employees in positions assessed as being at risk.

All employees have access to the Group's whistleblowing procedure and the Code of Ethics via the intranet (documents described in Section 4.4.1.3).

The formalized and regularly represented ethical principles (awareness-raising and training) as well as the tools in place make it possible to widely publicize situations of breach of probity and thus to detect them and better prevent.

In the event of an ethics alert, an investigation unit is set up as described in 4.4.1.3.

The Group did not face any corruption incidents or fines for violating anti-corruption laws in 2024.

Number of corruption-related incidents or convictions and amounts	
Convictions for violating anti-corruption laws (number);	0
Amount of fines imposed for violating anti-corruption laws (in €) recorded in the Group's consolidated financial statements	0

These statistics are compiled from the conviction letters received (or not) by the group's legal department as well as the fines recorded in the accounts of the group's entities.

4.4.1.5 Policies related to the management of supplier relationships [G1-2; G1-6], action plan and targets

As described in section 4.3.4, the Group handles its supplier relationship by type of purchases, i.e. stocked and non-stocked.

The two documents governing the management principles of supplier relations are described below:

- the supplier code of conduct:
- the Group's purchasing policy.
- there is no policy on specific payment terms with small and medium-sized companies.

The implementation of the policies and the code of conduct is managed by the Group's Legal Department and the Risk, Audit and Internal Control Department. These policies are available on the Group's website.

VusionGroup manages the supplier relationship:

- centrally for all stored purchases (also known as "industrial purchases"; and
- decentralized for the rest of the supplier portfolio. The directors of functional or operational departments themselves steer this relationship by area of responsibility (IT purchases made by the IT department, transport purchases made by the logistics Director, etc.).

For in-store purchases, the Group relies on strong ethical principles and standards in the conduct of its activities. The Group has published a purchasing policy: it defines the Group's main guidelines and commitments in terms of responsible purchasing, covering environmental, human rights, and ethical issues. This document is available on the Group's website.

Policy implemented by the Group	Description of the policy	Scope of the policy	Responsibility
Supplier code of conduct	The Supplier code of conduct incorporates the principles of the Code of ethics and details the expectations in terms of ethics, respect for human rights (child labor, fair compensation, reporting on conflict minerals), impact on the environment and on VusionGroup's ability to carry out its audits.	Upstream value chain	The Industrial Purchasing Department ensures that the supplier code of conduct is signed at each update.
The Group's purchasing policy	This defines the Group's main guidelines and commitments in terms of responsible purchasing, covering environmental, human rights, and ethical issues.	Upstream value chain	The Industrial Purchasing Department monitors the implementation of the principles indicated in this policy.

The Group holds the intellectual property rights to these products (hardware) but subcontracts their manufacture. Most of our EMS partners are located in mainland China or Southeast Asia, or more recently in North America (Mexico).

These partners have long-standing sustainability programs and environmental initiatives. They follow global reporting standards for sustainability and are all certified to ISO international standards that provide guidance on the adoption of environmentally and socially-responsible behavior for organizations.

The scope of their environmental and social management system goes well beyond what is typically found in an ISO 14001:2015 or ISO 45001:2018 system, including elements such as environmental compliance of products and management of electronic waste and water, which are also part of the United Nations Global Compact.

The Group assesses quality and sustainability issues within its supply chain (Tier 1 and Tier 2 stored purchases) through three types of audits:

- **supplier self-assessment questionnaire** to be completed by potential suppliers: in order to identify any major breach of the Group's social and environmental requirements, a self-assessment questionnaire was designed by the Product Quality Department and the Group's purchasing teams and is systematically submitted to current and potential suppliers.

  The full version of the questionnaire, consisting of 19 questions, includes topics such as quality management policy, environmental policy, human rights, ethics, and the supply chain.

  The results are assessed by VusionGroup's quality team, which systematically shares the results of the self-assessment questionnaire and the corrective actions with these suppliers as part of its improvement process. In the event of lower-than-expected performance, the supplier is required to implement the identified corrective actions and improve its overall performance with a progress strategy before being able to become a VusionGroup supplier. The implementation of the defined corrective action is closely monitored until its completion, and in the event of unsatisfactory performance, the Group does not enter into a business relationship with this supplier.

- **an audit of our suppliers, managed by the Group's product quality teams**, during annual on-site visits to our suppliers. These audits are formalized using a questionnaire adapted to each category of supplier according to its sector of activity, including a section dedicated to sustainability, and are supplemented by findings made on site. The full version of the questionnaires, consisting of over 40 questions, include topics such as the quality management policy, environmental policy, human rights, ethics, and the supply chain.

  This audit consists of an on-site visit to ensure the quality and compliance with the principles of the purchasing policy and the Supplier Code of Conduct. The Group has created an "evaluation of its suppliers" which covers, among other things, the application of human rights, the imperatives of health, safety, respect for the environment, and the traceability of minerals (not coming from conflict zones).

  In the event of unsatisfactory performance, the supplier is required to implement the corrective actions identified during the audit and to improve its overall performance with a progress strategy within an agreed timeframe (usually 1 year). The implementation of mutually agreed corrective actions is closely monitored by the Group and validated during the next audit. When the conclusion of the audit remains insufficient, VusionGroup reviews the continuation of its relationship with this supplier.
- **An external assessment** The Group asks its suppliers to carry out their sustainability assessments with rating companies (EcoVadis or equivalent, such as ISS ESG, MSCI, Sustainalytics). They measure the performance of suppliers on the basis of 21 criteria grouped into four themes:
  - Environment
  - Labor & Human Rights,
  - Ethics, and
  - Responsible Procurement.

  These ratings form the basis for discussions with suppliers on their sustainable development performance.
- Suppliers below the target must implement a plan to improve their performance. The minimum ratings required are as follows by rating company:
  - Ecovadis 50/100
  - ISS ESG: C-
  - MSCI: BB
  - Sustainalytics: medium risk

These progress plans are is monitored by the Purchasing teams. The successful completion of an action plan is systematically validated by a reassessment. Results deemed structurally insufficient or a lack of commitment to sustainability issues may lead the Purchasing Department to review its contractual relationship with the supplier or even to terminate it. This decision is subject to a collegial reflection which takes into account the consequences of such a decision.

A stable and lasting supplier relationship is also based on compliance with the Group's commitments, and among these commitments, the payment of purchases promptly within contractual deadlines:

Payment terms [G1-6]

The data relating to payment terms below were established on the basis of supplier invoices paid in 2024 in the entities VusionGroup SA, VusionGroup GmbH and VusionGroup Inc. (France, Austria, USA). This sample was selected because the balance of supplier balances of these three entities represented 96% of the Group's supplier balance at December 12/31/2024. Intra-group debt is excluded from this analysis.

The supplier payment period policy consists of granting a payment period of between 0 and 60 days from the invoice date, for all purchase categories excluding purchases of industrial products, for the three entities of the Group mentioned above. The payment period for purchases of industrial products (suppliers for the production and assembly of electronic equipment), carried out exclusively by the French entity, is between 60 days net and 60 days end of month on the 10th of the following month.

The table below summarizes the average payment time observed between the contractual payment date and its effective date:

Information	Data for the GROUP (excluding intra-group debt)
Average time (in number of days) for payment of an invoice from the date on which the contractual or statutory payment period begins to run.	• The average payment period for the French entity, which concentrates all the Group's purchases of industrial products, is 50 days. • The average payment term is 27 days for the Austrian entity and 38 days for the US entity. Note that these entities do not purchase any industrial products.
Description of the entity's standard payment terms (in number of days) by major supplier category and the percentage of payments made within these terms.	• Standard terms: 30 days to 60 days from invoice date • Exception for a category of suppliers: Industrial equipment assembly company: payment terms from 60 days net to 60 days end of month on the 10th. Given this categorization, the percentage of payments made within the standard deadlines is 55% for the French entity, 69% for the Austrian entity and 55% for the American entity. The percentage of payments made within the standard deadlines in the category of industrial product purchases is 99%. The amount of purchases made from "SME" type companies is not material, either for the selected sample or at Group level. There is no policy in place concerning the prevention of late payments for SMEs, as this type of supplier is not significant in the Group's supplier portfolio.
Number of ongoing legal proceedings for late payment.	None

4.4.2 Cyber risk - entity specific

4.4.2.1 Management of impacts, risks, and opportunities related to cyber risk [ESRS2. IRO-1]

The Group's business includes the use of interdependent information systems, in particular:

- Our Cloud platform for managing our entire fleet of electronic labels, hosted by major cloud hosting providers,
- Our customer solutions: Captana, Memory, Sepioo, Pulse, Belive.

In addition, the proliferation of unauthorized access attempts to our systems by various techniques such as "brute force" attacks or phishing (messages that appear to come from reliable sources) through various channels (email, social networks, telephone) with Group employees could compromise the security of our information systems and data.

The Group, or its suppliers and partners, may therefore be subject to cybersecurity attacks and incidents, the misuse or manipulation of its IT systems and data.

The Group is therefore committed to the structuring and continuous development of an adequate prevention system in order to protect itself as far as possible against identity theft, data theft and the detection of cyber attacks. This prevention system applies to all of the Group's activities.

Presentation table of material IROs for ESRS G1

Positive impacts	Negative impacts
Risks	**Opportunities**
IT security breaches that could lead to an interruption of activities within the Group's own operations: IT systems may be decommissioned to contain the breach and repair the damage, recover or restore information.	

4.4.2.2 Policies related to cyber risk

Policy implemented by the Group	Description of the policy	Scope of the policy	Responsibility
The charter for the use of IT resources and digital tools.	The charter contributes to preserving the security of the VusionGroup information system and makes the user a key player in achieving this objective. It makes it possible to inform the user (often the employee, but also a person outside the Company such as a service provider) about: • The authorized uses of the IT resources made available to them; • The duties of users; • The various security rules; • The measures put in place by the Company; • And the penalties incurred by the user.	Own workforce	The Human Resources Department ensures that this charter is part of the Company documents provided on hiring in digital format with all integration documents. In addition, the Information Systems Department makes it available on the Company's intranet portal for free consultation by all employees. As this policy is internal to the Company, it is not distributed to our partners or customers. They may be sent to them on exceptional and justified request after signature of a confidentiality agreement.
The ISMS (Information Security Management System) policy is a document that defines the standards and procedures for the management of information security within an organization, based on the ISO/IEC 27001 standard.	The ISMS policy covers several key aspects: • Confidentiality: Protection of confidential information by limiting its access, storage and use. • Integrity: Verifying that Company systems are functioning as intended and preventing human error and unauthorized changes. • Availability: Ensuring that systems and data are accessible to employees and customers when they need them. It serves as a guide for employees, service providers and partners on the security practices to follow to protect the organization's information assets.	Own workforce	The Information Systems Department makes it available on the Company's intranet portal for free consultation by all employees. As this policy is internal to the Company, it is not distributed to our partners or customers. It may be sent to them on exceptional and justified request after signature of a confidentiality agreement.

4.4.2.3 Actions and resources related to cyber risk

This prevention management involves the following stages:

- weekly operational committees, made up of the IT teams, monitor the latest incidents, their resolution and short-term actions;
- monthly committees, made up of the directors of information systems and safety and security, review performance and security indicators (vulnerabilities, exposed surfaces and the resolution of the main incidents).

Monitoring and incident detection complement the system to detect suspicious activities and security incidents in real time. An incident response plan is also structured to effectively manage cyberattacks when they occur. The plan includes procedures to contain the incident, resolve it and restore the affected systems. Continuous improvement involves performing regular audits and penetration testing to assess the effectiveness of the security measures in place.

Lastly, the quality of these policies and procedures is assessed annually through three external assessments:

- ISO 27001 certification: this standard defines the requirements for the implementation of an information security management system. The management system lists the security measures, within a defined scope, in order to guarantee the protection of the organization's assets. The objective is to protect functions and information from any loss, theft or alteration, and IT systems from any intrusion or IT disaster.
- SOC2 Type1 certification on the Vusion cloud scope defines an information security framework based on five principles of trust: security, availability, processing integrity, confidentiality and privacy.

- The assessment of the quality of cybersecurity thanks to Cybervadis. The company received a score of 969/1000, corresponding to a Platinum level of achievement. The objective of the assessment is to obtain a clear overview of the Company's cybersecurity performance in four key areas: identify, protect, detect, and react.

Development of security policies:

The Information Systems Department carries out regular risk identification phases through its information security management system. The latest findings highlight five major operational threats:

- Network infiltration to exfiltrate data.
- Social engineering to impersonate employees.
- Theft of equipment to reach company data.
- Impact of malware that collects or undermines the integrity of corporate data.
- Impact of malware blocking Enterprise Services.

Following each risk identification phase, the Information Systems Department updates the security policies and procedures and distributes them to all employees. These policies cover aspects such as password management, data access and the use of personal devices. Fairly traditional security measures are also in place: firewalls, anti-virus systems, monitoring of IT assets and intrusion detection systems. These systems are regularly updated.

The controls, risks and action plans defined as part of the ISMS (Information Security Management System) are monitored through a governance structure made up of regular bodies:

- half-yearly steering committees, made up of the IT, R&D and security and safety directors, which review all the ISMS indicators by focusing on the review of the strategy applied to information security, risks and action plans.

Some of our solutions can host customer data. They must, therefore, offer the highest level of security to avoid any data leakage or any compromise of customer information. All of our systems operate on the basis of physical and logical separation of customer environments, which enables targeted and robust access rules to be applied to ensure that environments are watertight and to limit rights to authorized persons.

Employee awareness and training:

Training employees in cybersecurity is essential to protect companies against cyberattacks: the Director of Information Systems therefore ensures continuous awareness-raising of the Group's workforce: it is crucial to regularly raise employee awareness of cybersecurity risks and best practices. Regular training sessions can help maintain a high level of vigilance.

In addition, specialized training courses are taken by the IT teams, which benefit from advanced technical training.

Simulations are regularly organized with the workforce by disseminating phishing-type messages in order to:

- Increase the right cyber security reflexes,
- Regularly update knowledge: Cybersecurity is a constantly evolving field. It is therefore important to regularly update employees' knowledge so that they are aware of the latest threats and attack scenarios.

4.4.2.4 Indicators and targets related to cyber risk

Assessment of IT suppliers:

100% of the group's suppliers with a threat level equal to or higher than 1 are subject to a CyberVadis assessment, which is renewed each year. The threat level is determined according to our exposure, which takes into account the level of dependency on this supplier and its degree of penetration. Suppliers are contractually subject to obtaining a score of 700 out of 1,000 within the first twelve months of the commercial relationship.

The Cybervadis rating scale offers a clear and transparent way to measure a company's cybersecurity performance using the following rating levels:

- Insufficient (< 400/1000): CyberVadis was not able to verify the definition and implementation of the company's information security or was only able to do so minimally.
- Basic (400-549 / 1000): CyberVadis was able to verify that the company has some understanding of its information security needs and that it is in the process of defining its approach to security.
- Moderate (550-699 / 1000): CyberVadis was able to verify that the company understands its information security needs and is improving its approach to security. Developed (700-849 / 1000): CyberVadis was able to verify that the company takes into account its information security needs and that it has developed its approach to security.
- Mature (> 850/1000): CyberVadis was able to verify that information security is part of the company's culture and that its approach to security is mature.

	% of ISMS suppliers with a threat level = or > 1
Mature	50%
Developed	13%
Moderate	7%
Taking the questionnaire	3%
Not Cybervadis rated	27%

IT security and data breach

Indicators related to cyber security

The indicators monitored by the Information Systems Department consist of measuring:

the number of critical incidents observed (and the robustness of the defense by measurement of the intrusion)

Two indicators measure the maturity of employees, either through the training courses attended (ratio of Group employees having received training) or by the failure rate of the phishing campaigns organized.

Lastly, the maturity of our IT suppliers is also measured through an external assessment called CyberVadis.

	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Number of critical incidents (without intrusion)(1)	4	3	3	0
Failure rate of the annual phishing campaign (proportion of accounts that have been compromised)	N/A	10%	N/A	N/A
Percentage of employees who completed e-learning training on cyber risk - change of training modules at mid-year(2)	16%	16%	17%	52%
Number of IT suppliers subject to the Cybervadis assessment(3)	10	18	28	30

(1) critical incident: incident that could have led to identity theft, loss or corruption of data, or unavailability of our critical systems. This indicator provides the number of incidents per quarter. These numbers are not cumulative from one quarter to the next.
(2) the percentage of employees trained accumulate from one quarter to the next.
(3) the number of suppliers subject to the Cybervadis assessment is cumulative from one quarter to the next.

4.5 Cross-reference table

GRI correspondence table (178-184)

Cross-reference table with other reporting standards (IFRS, SASB, TCFD, SDG, etc.)

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Index regulation reference	European law on the climate reference	Section/ Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21, point d).	Indicator No. 13, Table 1, Annex I		Appendix II of Commission Delegated Regulation (EU) 2020/1816.		Section 4.1.2.1
ESRS 2 GOV-1 Percentage of independent directors paragraph 21 point e).			Appendix II of Commission Delegated Regulation (EU) 2020/1816.		Section 4.1.2.1
ESRS 2 GOV-4 Statement on due diligence paragraph 30.	Indicator No. 10, Table 3, Annex I				Section 4.1.2.4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 point d) (i).	Indicator 4, Table 1, Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6), Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk.	Appendix II of Commission Delegated Regulation (EU) 2020/1816.		Section 4.1.3
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 point d) (ii).	Indicator No. 9, Table 2, Annex I		Appendix II of Commission Delegated Regulation (EU) 2020/1816.		Section 4.1.3
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 point d) (iii).	Indicator No. 14, Table 1, Annex I		Article 12 (1) of Delegated Regulation (EU) 2020/1818 (7), Annex II to Delegated Regulation (EU) 2020/1816.		Section 4.1.3
ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco paragraph 40 point d) (iv).			Delegated Regulation (EU) 2020/1818, Article 12 (1) of Delegated Regulation (EU) 2020/1816, Annex II.		Section 4.1.3
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14.				Article 2 (1) of Regulation (EU) 2021/1119.	Section 4.2.1.1

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Index regulation reference	European law on the climate reference	Section/ Page
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks paragraph 16, point g).		Article 449a Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity.	Article 12 (1) points d) to g) and Article 12 (2) of Delegated Regulation (EU) 2020/1818.		Section 4.2.1.1
ESRS E1-4 GHG emission reduction targets paragraph 34.	Indicator 4, Table 2, Annex I	Article 449a Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, template 3: Banking portfolio - Climate change transition risk: alignment indicators.	Article 6 of Delegated Regulation (EU) 2020/1818.		Section 4.2.1.6
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38.	Indicator No. 5, Table 1, and Indicator No. 5, Table 2, Annex I				Section 4.2.1.6
ESRS E1-5 Energy consumption and mix paragraph 37.	Indicator 5, Table 1, Annex I				Section 4.2.1.6
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43.	Indicator 6, Table 1, Annex I				Section 4.2.1.6
ESRS E1-6 Gross GHG emissions of Scopes 1, 2 or 3 and total GHG emissions paragraph 44.	Indicators No. 1 and No. 2, Table 1, Annex I	Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, template 1: Banking portfolio - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity.	Articles 5 (1), 6 and 8 (1) of Delegated Regulation (EU) 2020/1818.		Section 4.2.1.6
ESRS E1-6 GHG emissions intensity paragraphs 53 to 55.	Indicator 3, Table 1, Annex I	Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, template 3: Banking portfolio - Climate change transition risk: alignment indicators.	Article 8 (1) of Delegated Regulation (EU) 2020/1818.		Section 4.2.1.6

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Index regulation reference	European law on the climate reference	Section/ Page
ESRS E1-7 GHG removals and carbon credits paragraph 56.				Article 2 (1) of Regulation (EU) 2021/1119.	NA
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66.			Appendix II of Delegated Regulation (EU) 2020/1818, Appendix II of Regulation (EU) 2020/1816.		NA
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 point a) ESRS E1-9 Location of significant assets exposed to material physical risk paragraph 66 point c).		Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47, template 5: Banking book - Physical risk related to climate change: exposures subject to physical risk.			NA
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 point c).		Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, paragraph 34, template 2: Banking book - Climate change transition risk: Loans secured by real estate assets - Energy efficiency of collateral.			NA
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69.			Appendix II of Commission Delegated Regulation (EU) 2020/1818.		NA
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil paragraph 28.	Indicator No. 8, Table 1, Annex I; Indicator No. 2, Table 2, Annex I, Indicator No. 1, Table 2, Annex I; Indicator No. 3, Table 2, Annex I				Section 4.2.2
ESRS E3-1 Water and marine resources, paragraph 9.	Indicator No. 7, Table 2, Annex I				Section 4.2.3
ESRS E3-1 Dedicated policy paragraph 13.	Indicator No. 8, Table 2, Annex I				Section 4.2.3.2

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Index regulation reference	European law on the climate reference	Section/ Page
ESRS E3-1 Sustainable oceans and seas paragraph 14.	Indicator No. 12, Table 2, Annex I				NA
ESRS E3-4 Total water recycled and reused paragraph 28, point c).	Indicator No. 6.2, Table 2, Annex I				NA
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29.	Indicator No. 6.1, Table 2, Annex I				NA
ESRS 2- SBM 3 - E4 paragraph 16, point a) i.	Indicator No. 7, Table 1, Annex I				Section 4.2.4.2
ESRS 2- SBM 3 - E4 paragraph 16, point b).	Indicator No. 10, Table 2, Annex I				Section 4.2.4.2
ESRS 2- SBM 3 - E4 paragraph 16, point c)	Indicator No. 14, Table 2, Annex I				Section 4.2.4.2
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24, point b).	Indicator No. 11, Table 2, Annex I				NA
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24, point c).	Indicator No. 12, Table 2, Annex I				Section 4.2.4.4
ESRS E4-2 Policies to address deforestation paragraph 24, point d).	Indicator No. 15, Table 2, Annex I				NA
ESRS E5-5 Non-recycled waste paragraph 37, point d).	Indicator No. 13, Table 2, Annex I				Section 4.2.5.4
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39.	Indicator No. 9, Table 1, Annex I				Section 4.2.5.4
ESRS 2- SBM3 - S1 Risk of incidents of forced labor paragraph 14, point f).	Indicator No. 13, Table 3, Annex I				Section 4.3.1.1
ESRS 2- SBM3 - S1 Risk of incidents of child labor paragraph 14, point g).	Indicator No. 12, Table 3, Annex I				Section 4.3.1.1
ESRS S1-1 Human rights policy commitments paragraph 2.	Indicator No. 9, Table 3, and Indicator No. 11, Table 1, Annex I				Section 4.3.1.3

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Index regulation reference	European law on the climate reference	Section/ Page
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 paragraph 21.			Appendix II of Commission Delegated Regulation (EU) 2020/1816.		Section 4.3.1.3
ESRS S1-1 Processes and measures to prevent human trafficking paragraph 22.	Indicator No. 11, Table 3, Annex I				Section 4.3.1.3
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23.	Indicator No. 1, Table 3, Annex I				Section 4.3.1.3
ESRS S1-3 Grievance/ complaints handling mechanisms paragraph 32 point c).	Indicator No. 5, Table 3, Annex I				Section 4.3.1.4
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88, points b) and c).	Indicator No. 2, Table 3, Annex I		Appendix II of Commission Delegated Regulation (EU) 2020/1816.		Section 4.3.1.7
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 point e).	Indicator No. 3, Table 3, Annex I				Section 4.3.1.7
ESRS S1-17 Incidents of discrimination paragraph 103, point a).	Indicator No. 7, Table 3, Annex I				Section 4.3.1.7
ESRS S2-1 Human rights policy commitments paragraph 17.	Indicator No. 9, Table 3, and Indicator No. 11, Table 1, Annex I				Section 4.3.2.3
ESRS S2-1 Policies related to value chain workers paragraph 18.	Indicators No. 11 and No. 4, Table 3, Annex I				Section 4.3.2.3
ESRS S3-1 Commitments to implement a human rights policy paragraph 16.	Indicator No. 9, Table 3, Annex I, and Indicator No. 11, Table 1, Annex I				NA
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17.	Indicator No. 10, Table 1, Annex I		Appendix II of Delegated Regulation (EU) 2020/1816, Article 12 (1) of Delegated Regulation (EU) 2020/1818.		NA
ESRS S3-4 Human rights issues and incidents paragraph 36.	Indicator No. 14, Table 3, Annex I				NA

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Index regulation reference	European law on the climate reference	Section/ Page
ESRS S4-1 Policies related to consumers and end-users paragraph 16.	Indicator No. 9, Table 3, and Indicator No. 11, Table 1, Annex I				NA
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 17.	Indicator No. 10, Table 1, Annex I		Appendix II of Delegated Regulation (EU) 2020/1816, Article 12 (1) of Delegated Regulation (EU) 2020/1818.		NA
ESRS S4-4 Human rights issues and incidents paragraph 35.	Indicator No. 14, Table 3, Annex I				NA
ESRS G1-1 United Nations Convention against Corruption paragraph 10, point b).	Indicator No. 15, Table 3, Annex I				Section 4.4.1.3
ESRS G1-1 Protection of whistle-blowers paragraph 10, point d).	Indicator 6, Table 3, Annex I				Section 4.4.1.3
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24, point a).	Indicator 17, Table 3, Annex I		Appendix II of Delegated Regulation (EU) 2020/1816.		Section 4.4.1.4
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24, point b).	Indicator No. 16, Table 3, Annex I				Section 4.4.1.4

1 2 3 4 5 6 7 8 9

4.6 Appendices

4.6.1 Contribution to the United Nations' SDGs (Sustainable Development Goals)

The Group's contribution to sustainability

the marketing of digital solutions for retail contributes to the development of the sustainable development objectives defined by the United Nations as follows:

SDG 3: Good health and well-being

Our solutions can contribute to the health and well-being of consumers by giving them access to essential information about the products in the shelf. Informed choices can lead to healthier decisions, including when it comes to diet, allergy and product ingredients.

SDG 5: Equal rights

We promote equal rights in the workplace by promoting these values within our Group and to our business partners **and** suppliers through our Code of Ethics and our Supplier Code of Conduct.

SDG 8: Decent work and economic growth

We support Decent Work by promoting a favorable working environment that encourages career development and opportunities. We also contribute to this through our compensation policy, employee benefits and long-term incentives.

We drive sustainable economic growth by increasing the relevance and dynamism of stores through digitalization, which benefits the entire economy and society, enabling physical retail to maintain its role as the leading private employer globally[1] and by stimulating related employment.

In addition, we carry out formalized supply chain audits, using a questionnaire with a section dedicated to sustainability supplemented with on-site observations.

SDG 9: Industry, innovation, and infrastructure

During the design, development and delivery of our products and services, we ensure low-carbon innovation (eco-design or modular design helping to minimize the environmental impact of energy consumption) and contribute to the decarbonization of the retail sector thanks to use cases observed at our customers' sites.

SDG 11: Sustainable cities and communities

Making the physical store a sustainable digital asset by incorporating VusionGroup's solutions, a guarantee of on-shelf efficiency, and thus preserving the economic health of the store and, therefore, jobs. In addition, the Group's solutions provide better information for the end consumer.

SDG 12: Responsible consumption and production

Our product design ensures the possibility of reviving IoTs that have been the subject of a first use over several years: Thus, by initiating a circular economy through refurbishment and recycling steps, it is possible to extend the lifespan by several years. The information disseminated by our electronic labels can also inform consumers in their choice of more sustainable consumption (choice of local production, etc.).

SDG 13: Climate action

VusionGroup signed the Science-Based Targets initiative (SBTi) letter of commitment in 2023, which was approved in 2024. It is committed to reducing its emissions, in terms of absolute value and intensity, in accordance with the Paris Agreement.

(1) https://fr.statista.com/statistique/662320/classement-plus-grandes-compagnies-en-number-of-salaries-monde/#: 20classement, de% 20 personnes% 20% C3% A0% 20cette% 20p% C3% A9riode.

4.6.2 Taxonomy tables according to the format of Article 8

Sales		2024		Substantial contribution criteria						Criteria for Do No Significant Harm (DNSH)									
Economic activities (1)	Code(s) [a] (2)	Absolute revenue (3)	Share of revenue (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of revenue aligned with the Taxonomy (A.1.) or eligible for Taxonomy (A.2.), Year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		(€m)	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
Revenue from environmentally sustainable activities (aligned with the Taxonomy) (A.1)		0	**0 %**	0	0	0	0	0	0	O	O	O	O	O	O	O	0%		
Of which enabling		0	**0%**	0	0	0	0	0	0	O	O	O	O	O	O	O	0%	E	
Of which transitory		0	**0%**	0						O	O	O	O	O	O	O	0%		T
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
5.4 Sale of used goods		3.5	**0.36 %**	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0 %		
8.1 Data processing, hosting and related activities		34.8	**3.65 %**	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0 %		
Revenue from activities eligible for the Taxonomy but not environmentally sustainable (not aligned) (A.2.)		38.3	**4.0 %**	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
A. Turnover from activities not eligible for the Taxonomy (A.1. + A.2.)		38.3	**4.0 %**	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
B. Activities not eligible for the Taxonomy																			
Revenue from activities not eligible for the Taxonomy (B)		916	96 %																
TOTAL (A + B)		**955**	**100 %**																

CapEx		2024		Substantial contribution criteria						Criteria for Do No Significant Harm (DNSH)									
Economic activities (1)	Code(s) (2)	CapEx (3)	Share of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of Capex aligned with the Taxonomy (A.1.) or eligible for the Taxonomy (A.2.) year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		(€m)	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
Environmentally sustainable CapEx (aligned with the Taxonomy) (A.1)	N/A	0	**0.0%**	0	0	0	0	0	0	**O**	**O**	**O**	**O**	**O**	**O**	**O**	0%		
Of which enabling		0	**0.0%**	0	0	0	0	0	0	O	O	O	O	O	O	O	0%	E	
Of which transitory		0	**0.0%**	0						O	O	O	O	O	O	O	0%		T
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
7.7 Acquisition and ownership of buildings	**CCM**	2.6	**1.62 %**	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.4%		
6.5 Transport by motorcycles, passenger cars, and light commercial vehicles	**CCM**	0.1	**0.03 %**	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Capex eligible for the Taxonomy but not environmentally sustainable (not aligned) (A.2)		2.7	**1.65 %**	2,7	**0.0%**	0%	0%	0%	0%								6.2%		
A. Capex of activities eligible for the Taxonomy (A.1 + A.2)		2.7	**1.65 %**	2,7	**0.0%**	0%	0%	0%	0%								6.2%		
B. Activities not eligible for the Taxonomy																			
Capex not eligible for the Taxonomy (B)		158.5	**98.3%**																
TOTAL (A + B)		**161.2**	**100.0%**																

OpEx		2024		Substantial contribution criteria						Criteria for Do No Significant Harm (DNSH - Do No Significant Harm)									
Economic activities (1)	Code(s) [(a)] (2)	OpEx (3)	Share of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of OpEx aligned with the Taxonomy (A.1.) or eligible for the Taxonomy (A.2.), Year N-1 (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		(€m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
Environmentally sustainable OpEx (aligned with the Taxonomy) (A.1)		0	**0%**	0	0	0	0	0	0	O	O	O	O	O	O	O	0%		
Of which enabling		0	**0%**	0	0	0	0	0	0	O	O	O	O	O	O	O	0%	E	
Of which transitory		0	**0%**	0						O	O	O	O	O	O	O	0%		T
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
Opex activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2.)		0	**0%**	0	0	0	0	0	0								0%		
A. Opex of activities eligible for the Taxonomy (A.1 + A.2)		0	**0%**	0	0	0	0	0	0								0%		
B. Activities not eligible for the Taxonomy																			
Opex not eligible for Taxonomy (B)*		19,7	100%																
TOTAL (A + B)		**19,7**	**100%**																

* Only Opex targeted by the Taxonomy

Nuclear energy activities		
1	The Company carries out, finances, or is exposed to research, development, demonstration, and deployment of innovative facilities for the production of electricity from nuclear processes with a minimum of waste from the fuel cycle.	NO
2	The Company carries out, finances, or is exposed to the construction and safe operation of new nuclear facilities for the production of electricity or industrial heat, in particular for district heating purposes or for the purpose of industrial processes such as hydrogen production, including their safety upgrades, using the best available technologies.	NO
3	The Company carries out, finances, or is exposed to the safe operation of existing nuclear facilities for the production of electricity or industrial heat, in particular for district heating purposes or for the purpose of industrial processes such as hydrogen production from nuclear energy, including their safety upgrades.	NO
Fossil gas activities		
4	The Company carries out, finances, or is exposed to the construction or operation of facilities for the production of electricity from gaseous fossil fuels.	NO
5	The Company carries out, finances, or is exposed to the construction, refurbishment, and operation of combined heating/cooling and electricity from gaseous fossil fuel production facilities.	NO
6	The Company carries out, finances, or is exposed to the construction, refurbishment, or operation of heat production facilities that produce heat/cold from gaseous fossil fuels.	NO

4.7 Report from the independent third party

VusionGroup's sustainability reporting certification and monitoring report on disclosure requirements under Article 8 of Regulation (EU) 2020/852

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France

Year ended December 31, 2024

This report is issued in our capacity as auditors of VusionGroup. It covers the sustainability information and the information provided for in Article 8 of Regulation (EU) 2020/852, relating to the year ended 31 December 2024 and included in sections 4.1 to 4.6 of the Group Management Report ('Sustainability Report').

Pursuant to Article L. 233-28-4 of the French Commercial Code, VusionGroup is required to include the above-mentioned information in a separate section of the group's management report. This information has been established in a context of initial application of the above-mentioned articles characterised by uncertainties regarding the interpretation of the texts, the use of significant estimates, the absence of established practices and frameworks, in particular for the analysis of double materiality, as well as by an evolving internal control system. They provide an understanding of the impacts of VusionGroup's business on sustainability issues, as well as how these issues affect the evolution of the group's business, results and situation. Sustainability issues include environmental, social and corporate governance issues.

Pursuant to II of Article L. 821-54 of the aforementioned Code, our mission is to carry out the work necessary for the issuance of an opinion, expressing a limited assurance, relating to:

- compliance with the sustainability reporting standards adopted pursuant to Article 29b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter the *European Sustainability Reporting Standards*) of the process implemented by VusionGroup to determine the information disclosed and the
- compliance with the obligation to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the Labour Code;
- the compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS; and
- compliance with the information disclosure requirements laid down in Article 8 of Regulation (EU) 2020/852.

The exercise of this mission is carried out in accordance with the ethical rules, including independence, and the quality rules prescribed by the Commercial Code.

It is also governed by the guidelines of the French National Audit Authority *"Assurance mission for sustainability information and monitoring of the disclosure requirements laid down in Article 8 of Regulation (EU) 2020/852".*

In the three separate parts of the report that follow, we present, for each of the axes of our mission, the nature of the verifications we have carried out, the conclusions we have drawn from them, and, in support of these conclusions, the elements that have been the subject of particular attention on our part and the diligence that we have implemented in respect of these elements. We draw your attention to the fact that we do not express a conclusion on these elements taken in isolation and that it should be considered that the due diligence explained is part of the overall context of the formation of the conclusions issued on each of the three axes of our mission.

Finally, when we feel it is necessary to draw your attention to one or more sustainability disclosures provided by VusionGroup in its Group Management Report, we will make a paragraph of observations.

Limits of our mission

As our mission aims to express limited assurance, the nature (choice of control techniques) of the work, its scope (amplitude), and its duration, are less than those necessary to obtain reasonable assurance.

In addition, this task does not consist in guaranteeing the viability or quality of VusionGroup's management, in particular in making an assessment, which would go beyond compliance with the requirements of the ESRS to inform on the relevance of the choices made by VusionGroup in terms of action plans, targets, policies, scenario analyses and transition plans.

However, it allows conclusions to be expressed concerning the process of determining the sustainability information published, the information itself, and the information published pursuant to Article 8 of Regulation (EU) 2020/852, as to the lack of identification or, on the contrary, the identification, of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that might be taken by the readers of the information subject of our audits.

Our mission does not concern possible comparative data.

1
2
3
4
5
6
7
8
9

Compliance with the ESRS of the process implemented by VusionGroup to determine the information published, and compliance with the obligation to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code.

Nature of the verifications carried out

Our work consisted of verifying that:

- the process defined and implemented by VusionGroup has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability issues, and to identify those of those material impacts, risks and opportunities that have led to the disclosure of the sustainability information in sections 4.1 to 4.6 of the Group Management Report, and
- the information provided on this process is also in line with the ESRS.

In addition, we have checked compliance with the obligation to consult the social and economic committee.

Conclusion of the verifications carried out

Based on the verifications we have carried out, we have not found any material errors, omissions or inconsistencies regarding the compliance of the process implemented by VusionGroup with the ESRS.

Concerning the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the Labour Code, we inform you that as of the date of this report, this has not yet taken place.

Elements that have been the subject of particular attention

Below, we present the elements that have been the subject of particular attention on our part regarding the compliance with the ESRS of the process implemented by VusionGroup to determine the information published.

Regarding the identification of stakeholders

Information on the identification of stakeholders is mentioned in section 4.1.3.2

"Interests and Stakeholder Perspective" of the Sustainability State.

We interviewed management and individuals we deemed appropriate and inspected available documentation. Our due diligence consisted in particular of assessing the consistency of the main stakeholders identified by VusionGroup with the nature of its activities and its geographical location, taking into account its business relationships and its value chain.

Regarding the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is in section 4.1.5

"Management of ORIs and double materiality" of the State of sustainability.

We have taken note of the process implemented by the entity regarding the identification of impacts (negative or positive), risks and opportunities ("IRO"), actual or potential, in connection with the sustainability issues mentioned in paragraph AR 16 of the "Application Requirements" of the ESRS 1 standard and, where applicable, those that are specific to the entity, as presented in note 4.4.2 "IRO entity specific - Cyber risk" of the Sustainability Report.

In particular, we appreciated the approach put in place by the entity to determine its impacts and dependencies, which may be a source of risks or opportunities, in particular the dialogue implemented, where appropriate, with stakeholders.

We have taken note of the mapping carried out by the entity of the identified IROs, including in particular the description of their distribution in their own activities and the value chain, as well as their time horizon (short, medium or long term), and assessed the consistency of this mapping with our knowledge of the entity.

We appreciated the way in which the entity considered the list of sustainability topics listed by ESRS 1 (AR 16) in its analysis.

- #### Regarding the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is mentioned in section 4.1.5 "Management of ORIs and double materiality" of the Sustainability Report.

We have taken note, through interviews with management and inspection of available documentation, of the impact materiality assessment process implemented by the entity, and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed the entity's establishment and application of the reporting materiality criteria set out in ESRS 1, including the setting of thresholds, to determine the material disclosures for the material IRO indicators identified in accordance with the relevant thematic ESRS standards;

Compliance of the sustainability information included in sections 4.1 to 4.6 of the Group Management Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS.

Nature of the verifications carried out

Our work consisted of verifying that, in accordance with the legal and regulatory requirements, including the ESRS:

- the information provided provides an understanding of the preparation and governance of the sustainability information included in the Group Management Report, including the manner in which value chain information is determined and the disclosure exemptions used;
- the presentation of this information guarantees its legibility and comprehensibility;
- the scope chosen by VusionGroup in relation to this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of its users, that this information does not present significant errors, omissions, inconsistencies, i.e. likely to influence the judgment or decisions of the users of this information.

Conclusion of the verifications carried out

Based on the checks we have carried out, we have not identified any material errors, omissions, inconsistencies regarding the compliance of the sustainability information included in sections 4.1 to 4.6 of the Group Management Report, with the requirements of Article L. 233-28-4 of the Commercial Code, including with the ESRS.

Observation

Without calling into question the conclusion expressed above, we draw your attention to the information contained in paragraph " 4.1.1.2 Information relating to special circumstances" of the Sustainability Report, which highlights the uncertainties inherent in the first application of Article L. 233-28-4 of the French Commercial Code, in particular concerning the omissions of certain data points required by the ESRS and the methodological choices made.

Elements that have been the subject of particular attention

Information provided in application of environmental standards (ESRS E1 to E5)

Climate change disclosures (ESRS E1) are mentioned in section

"4.2.1 Climate change" of the Sustainability State.

Below we present the elements that have been the subject of particular attention on our part regarding the compliance of this information with the ESRS.

Our due diligence included assessing the appropriateness of the information presented in the environmental section of the sustainability information included in section "4.2.1 Climate Change [E1]" of the Statement of Sustainability and its overall consistency with our knowledge of the entity.

As regards the information published under **the greenhouse gas emission balance** :

- We assessed the consistency of the scope considered for the assessment of the greenhouse gas emissions balance with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- We have taken note of the protocol for establishing the greenhouse gas emissions inventory used by the entity to establish the greenhouse gas emissions assessment and assessed its application modalities, on a selection of emission categories and sites, on scope 1 and scope 2.
- Regarding Scope 3 emissions, we appreciated:
  - The justification for the inclusions and exclusions of the different categories and the transparency of the information given in this respect,
  - The information gathering process,
- We assessed the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used;
- We have spoken with management to understand the major changes in the business that have occurred during the year that may affect the greenhouse gas emissions balance;
- For physical data (such as energy consumption), we reconciled the underlying data used to compile the greenhouse gas emissions balance with the supporting documents on the basis of surveys;
- We have implemented analytical procedures;
- With regard to the estimates that we considered structuring to be used by the entity in the preparation of its greenhouse gas emissions report:

- Through interviews with management, we learned about the methodology for calculating the estimated data and the sources of information on which these estimates are based;
- We assessed whether the methods have been applied consistently or whether there have been any changes since the previous period, and whether these changes are appropriate;

- We checked the arithmetic accuracy of the calculations used to establish this information.

Information provided in application of social standards (ESRS S1 to S4)

The information published in respect of the company's personnel (ESRS S1) can be found in section "4.3 Social information" of the Sustainability Report.

Our main diligence on this information was to assess the appropriateness of the information presented in section "4.3.1. Company Personnel" in the Social section of the sustainability information included in the report on the Group's management and its overall consistency with our knowledge of the entity.

We have also:

- examined the geographical/legal scope on which the information was established;
- assessed whether the methods and assumptions used by the Company to determine the reported information are appropriate with regard to ESRS S1;
- examined, on the basis of a sampling, the supporting documents with the corresponding information.

Compliance with the information disclosure requirements laid down in Article 8 of Regulation (EU) 2020/852

Nature of the verifications carried out

Our work consisted of verifying the process implemented by VusionGroup to determine the eligibility and alignment of its activities of the entities included in the consolidation.

They also involved verifying the information published pursuant to Article 8 of Regulation (EU) 2020/852, which involves verifying:

- compliance with the rules for the presentation of this information which guarantee its legibility and comprehensibility;
- on the basis of a selection, the absence of errors, omissions, material inconsistencies in the information provided, i.e. likely to influence the judgment or decisions of the users of this information.

Conclusion of the verifications carried out

On the basis of the checks we have carried out, we have not identified any significant errors, omissions, inconsistencies regarding compliance with the requirements of Article 8 of Regulation (EU) 2020/852

Elements that have been the subject of particular attention

We determined that there was no such information to report in our report.

Paris-La Défense, 30 April 2025

The statutory auditors

Deloitte & Associés	KPMG S.A.
Hélène DE BIE	Mathilde FIMAYER

5

Management report on financial results

5.1 Analysis of 2024 results **228**

5.1.1 Group organization and main performance indicators 229

5.1.2 Comments on Operations 230

5.1.3 Investments 232

5.1.4 Cash Flows 233

5.2 Analysis of results for the fiscal years ended December 31, 2024, and December 31, 2023 **234**

5.3 Post-closing events **234**

5.4 Recent developments and outlook **234**

5.5 Report on the parent financial statements **235**

5.1 Analysis of 2024 results

The 2024 financial statements were approved by the Board of Directors, which met on April 23, 2025. The audit procedures for the 2024 consolidated and parent financial statements of VusionGroup SA were carried out. The consolidated financial statements are prepared in accordance with IFRS standards. The table below shows the main aggregates of the consolidated income statement for the fiscal years ended December 31, 2023 and 2024, as well as their changes.

The following 2024 financial figures are presented under IFRS standards, and also in adjusted terms before IFRS adjustments related to the Walmart U.S. contract which began in Q4 2023, and which do not have a cash impact. These adjustments are detailed below.

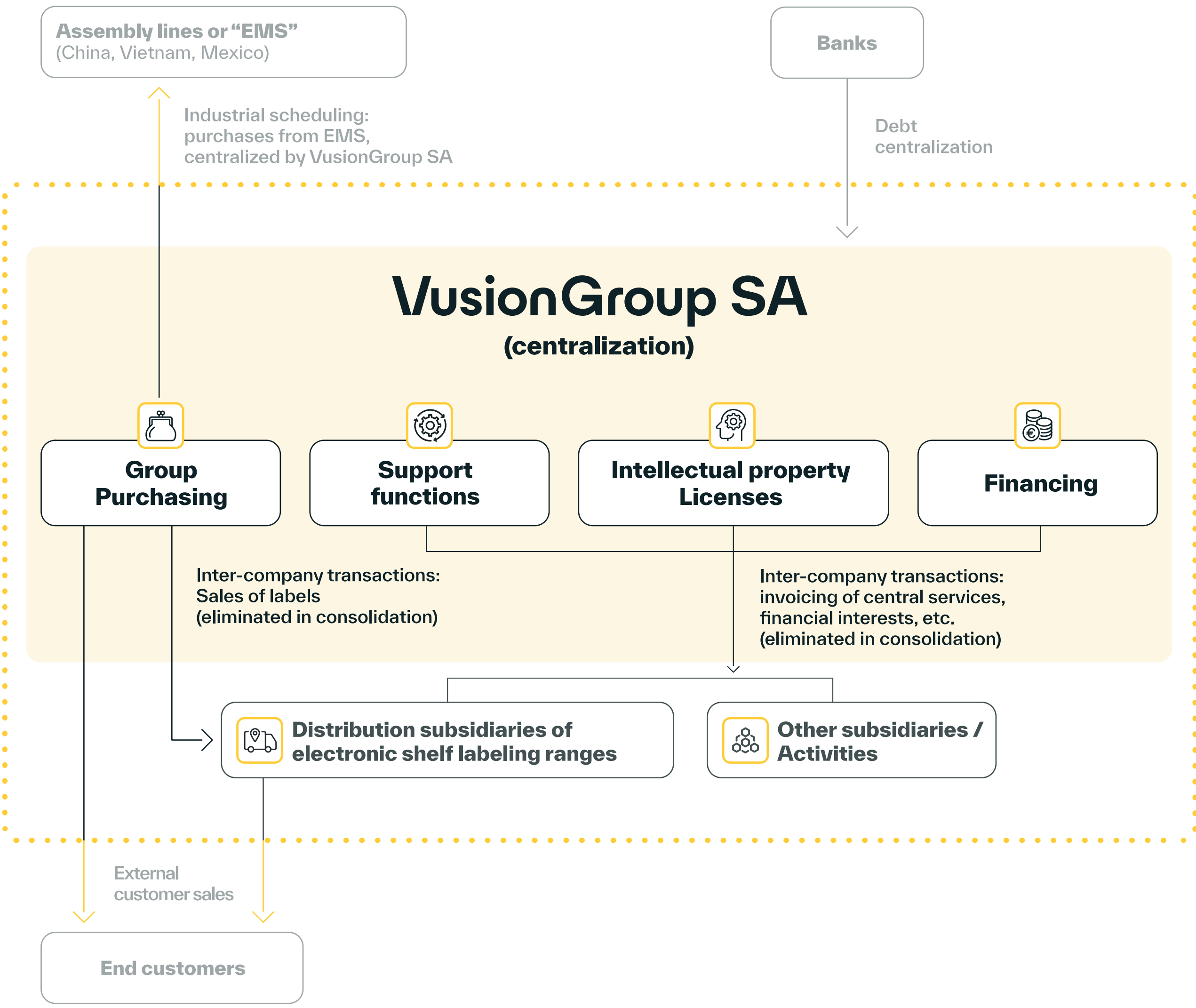
Income statement

In € millions	**2024**	IFRS adjustments(1)	**2024 adjusted(1)**	2023	Change IFRS	Change adjusted
Sales	**954.7**	**(55.8)**	**1,010.5**	**802,0**	**19%**	**25%**
Variable costs margin	240.7	(55.8)	296.5	201,9	19%	44%
% of revenue	25%		29%	25%	0,0 pt	+3,8 pts
Operating costs	(135.9)		(135.9)	(99,5)	37%	37%
% of revenue	14.2%		13.5%	12.4%	-1,8 pt	-1,1 pt
EBITDA	**104.7**	**(55.8)**	**160.5**	**102,3**	**2%**	**51%**
% of revenue	11.0%		15.9%	12.8%	-1,8 pt	+2,7 pts
Depreciation and amortization expense	(57.5)		(57.5)	(36,5)	58%	58%
Non-recurring items/non-cash items	(23.9)		(23.9)	(14,3)	67%	67%
EBIT	**23.3**	**(55.8)**	**79.1**	**51,5**	**(55%)**	**43%**
% of revenue	2.4%		7.8%	6.4%	-4,0 pts	+1,0 pt
Net financial result	(50.0)	(34.4)	(15.7)	43,0	(216%)	179%
Tax	(2.2)	7.9	(10.0)	(14,9)	(85%)	(33%)
Net result	**(28.9)**	**(82.3)**	**53.4**	**79.6**	**(136%)**	**54%**
% of revenue	(3.0%)		5%	10%	-12,9 pts	+1,0 pt

(1) Adjusted figures reflect the reported financials before adjusting for certain non-cash IFRS restatements related to the Walmart U.S. contract, which began in Q4 2023. The non-cash impact of these restatements was -€55.8 million for actual sales invoiced on the Walmart U.S. contract. These adjustments also include, in net financial result, the revaluation of the fair value of the share subscription warrants granted, subject to exercise conditions, to Walmart as well as the impact related to the application of IAS 21 to reciprocal receivables and payables between the parent company and its US subsidiary related to the financing of production lines for Walmart for a total of -€34.4 million.

5.1.1 Group organization and main performance indicators

Group's Organization



VusionGroup SA, the Group's parent company, centralizes a number of transactions on behalf of the Group:

Industrial scheduling: VusionGroup SA orders and purchases ESL from the Group's EMS that will be sold to external customers. The parent company centralizes these purchases and sells the ESL directly to it own clients and to the subsidiaries that market them abroad.

Centralization of financing: most financing is provided by the parent company, which carries the debt and in turn centralizes the subsidiaries' cash positions through cash pooling agreements. Financing of subsidiaries is mainly provided, where applicable, by the parent company.

Support functions: most support functions are carried by the parent company and rebilled to the subsidiaries through management fees.

Ownership of industrial property: most of the industrial property relating to the products and solutions developed by the Group is held by the parent company, which protects them and rebills user fees to its subsidiaries.

All services provided by VusionGroup SA on behalf of its subsidiaries and rebilled to them, as such, are eliminated in the Group's consolidated financial statements.

Main performance indicators

The Group uses EBITDA as its main performance indicator.

EBITDA is not a standardized accounting aggregate that meets a single, generally accepted definition. It should not be considered a substitute for operating profit (loss), net profit (loss), cash flows from operating activities or a measurement of liquidity. Other issuers may calculate EBITDA differently from the breakdown used by the Group below.

For the Group, this is a performance indicator that presents operating income before the depreciation and amortization of fixed assets restated for the few items for the period that are detrimental to comparisons with previous fiscal years.

It also represents a good approximation of the cash flow generated by operating activities before taking into account investments and changes in working capital. Consequently, restatements include significant non-recurring items or items that will never lead to a cash disbursement.

The Variable Cost Margin (VCM) consists in deducting the cost of goods sold, as well as a certain number of services such as installation costs and transportation costs, from total revenue.

A reconciliation table is proposed below between operating profit (loss) and EBITDA:

In €M	**12/31/2024**	12/31/2023
Operating profit (loss)	**23.4**	**51.5**
(-) Fees and commissions on capital and debt transactions		(1.9)
(-) Share-based payments (IFRS 2)	(18.9)	(12.4)
(-) Memory earn-out	(5.0)	
(-) Depreciation and amortization expense of property, plant and equipment and intangible assets	(57.5)	(36.5)
= EBITDA	**104.8**	**102.3**

Net debt/Net cash

These indicators respectively define the Group's net financial debt or cash position calculated on the basis of the following aggregates in the consolidated statement of financial position: (-) Borrowings (-) Current and non-current lease liabilities (IFRS 16) (+) Cash and cash equivalents.

If the result is negative, the level of long term loans and lease liabilities exceeds the level of cash and cash equivalents, and is therefore considered net debt or net financial debt. If, however, the result is positive, then the level of loans and lease liabilities is lower than the level of cash and cash equivalents and is considered a net cash surplus.

Working Capital Requirement

The working capital requirement is calculated based on the following aggregates from the consolidated statement of financial position: (+) receivables (gross value, before depreciation) (+) inventory and work-in-progress (gross value, before depreciation) (-) trade payables (+) current taxes (+) other current receivables (-) other debt and accrual accounts.

Order entries

Order entries represent the year-to-date cumulative value of ESL orders received from customers. These orders are valued based on negotiated selling prices, i.e. before any impact of IFRS 15. Order intake also includes year-to-date VAS revenues.

5.1.2 Comments on Operations

Sales

In €M	**2024**	2023	Change
Europe and Middle East/Africa	492.4	642.4	(23%)
Asia and the Americas	462.3	159.6	190%
Total revenue	**954.7**	**802.0**	**19%**

The Group's 2024 full-year revenue reached €954.7 million and €1,010.5 million in adjusted terms, a 19% growth compared to 2023 and +25% compared to 2023 adjusted.

In EMEA, revenue decreased by almost -23% to €492 million, accounting for 49% of the Group's total annual revenue. This planned and announced change was due to the end of the deployment phase of a major European customer.

1
2
3
4
5
6
7
8
9

Revenue in Asia Pacific and the Americas (Rest of the world) amounted to €462 million and €518 million in adjusted data, showing strong growth of +189% and +218%, respectively, compared to 2023. For the first time in the Group's history, the region has become the largest in terms of revenue generation, accounting for approximately 51% of the Group's adjusted revenue for 2024. This remarkable momentum has been driven in particular by the acceleration of the pace of deployment of our solutions in the United States.

Software, Services, and Non-ESL Value Added Solutions (VAS[(1)])

One of the important axes of the Vusion'27 strategic plan lies in the expansion of our non-ESL solutions towards Cloud/SAAS, Data, Computer Vision, AI and Retail Media solutions, to fully digitalize stores and enable retailers and their suppliers to better take advantage of this digitalization in terms of operational performance and customer experience.

Our installed base of Cloud-connected ESLs grew rapidly in 2024 to more than 24,000 stores and 152 million ESLs, and this dynamic is set to continue in 2025. As a reminder, the cloud-installed base was 17,000 stores and 82 million ESLs at the end of 2023.

Revenue from Software, Services, and Non-ESL Solutions (VAS) reached €105.7 million in 2024, a slight decrease of -3% compared to 2023.

Within VAS revenue, recurring services[(2)] which represent 54% of VAS revenue, i.e., €57.4 million, grew by 35%, higher than the growth of total revenues, while non-recurring services[(3)]) fell by -28% to €48.3 million in a difficult economic context where distributors slowed down certain projects or internalized certain services.

During the 4th quarter, VAS sales experienced strong growth, both for recurring (+48%) and non-recurring (+32%) revenues. On an annualized basis, recurring VAS revenue reached €65 million in Q4.

Order entries

Global order intake increased by +71% over the full year in 2024 to reach €1,628 million. This figure does not include the last tranche of the Walmart contract announced at the very end of 2024.

Variable costs margin

The variable cost margin (VCM) amounted to €240.7 million, up 19% compared to 2023.

Restated for IFRS non-cash adjustments relating to the Walmart U.S. contract, the variable cost margin reached €296.5 million in 2024 compared to €205.5 million in 2023, an increase of +44%, and a VCM rate of 29.3% of revenue in 2024 compared to 25.5% for the previous fiscal year, i.e., an increase of 3.8 points.

The improvement in the VCM rate was driven mainly by three factors:

a. The impact of the Group's ongoing investments in its R&D to develop more profitable innovative solutions with high added value;
b. The improvement in industrial costs linked to scale gains, design to cost efforts and purchasing performance;
c. An improvement in the mix within VAS, which was more favorable to high-margin recurring services (cloud, data, AI) than non-recurring services, which decreased in 2024.

Operating expenses

Operating expenses were €135.9 million in 2024 compared to €99.5 million in 2023. Expressed as a percentage of revenue, operating expenses represented 13.5% of adjusted revenue in 2024 versus 12.4% in 2023. This increase was mainly due to significant recruitment made in central corporate functions as well as in the United States to support the strong growth in this market.

EBITDA

EBITDA, or operating result before depreciation, amortization expense and other non-recurring and non-cash items, was €104.7 million in 2024 compared to €102.3 million in 2023.

Excluding IFRS non-cash restatements of -€55.8 million (-€3.7 million in 2023), 2024 EBITDA reached €160.5 million, up +51% compared to €106.0 million in 2023.

The adjusted EBITDA margin thus reached 15.9% of revenue in 2024 compared to 9.4% of revenue in 2022 and 13.2% in 2023. This represents an improvement of 2.7 points year-on-year and 6.5 points over two years, mainly driven by the improvement in Variable Cost Margin.

Depreciation and amortization expense

Depreciation and amortization expenses increased +58% in 2024, totaling €57.5 million (compared to €36.5 million in 2023). This increase is directly related to (i) the significant level of R&D and innovation investments made by the Group and, in particular, the amortization of the development costs of the new EdgeSense solution, as well as (ii) the amortization of a first production line dedicated to Walmart and entirely financed by the latter.

Non-recurring and non-cash items

Non-recurring and non-cash items represented an expense of €23.9 million in 2024, compared to €14.3 million in 2023.

In 2024, these €23.9 million are comprised primarily of a non-cash IFRS 2 expense of €18.9 million related to the performance shares granted to the Group's employees between 2022 and year-end 2024. Added to this amount is the earn-out that the Group estimates it must pay to In The Memory employees required by a presence condition.

(1) VAS: Software, services, and non-ESL solutions.
(2) Recurring VAS" revenue includes revenue generated by subscriptions to VusionCloud and its SaaS Computer vision (Captana and Belive) and Data Analytics (Markethub and Memory) solutions, as well as contracts for recurring services.
(3) "Non-recurring VAS" revenue includes the revenue generated by installation and non-recurring professional services; the sale of equipment such as Captana cameras, video rails and other screens used for retail media (Engage), as well as the sale of industrial and logistics solutions (PDidigital).

Net financial result

Net financial result for 2024 constituted a loss of -€50 million compared to an income of €43 million in 2023.

Restated for the IFRS non-cash adjustments detailed below, the net financial result was an expense of -€15.7 million in 2024 compared to -€5.6 million in 2023.

The interest expense on borrowings amounted to €11.5 million in 2024, compared to €12.4 million in 2023. It was partly offset by income from cash investments in the amount of €4.7 million in 2024.

The high volatility of the EUR/USD exchange rate generated foreign exchange losses of €7.1 million in 2024 compared to gains of €3.8 million in 2023.

As for the IFRS 16 expense, it remained relatively stable at €0.5 million in 2024, with no impact on cash flow, compared to €0.4 million in 2023.

As was the case in 2023, IFRS net financial result also includes the impact of the change in fair value of the share subscription warrants granted, under specific conditions, to Walmart. Taking into account a certain number of criteria, the change in the fair value of these warrants between December 31, 2023, and December 31, 2024, constituted a financial expense, with no effect on cash, which impacted the net financial result by -€21.9 million.

In addition, the implementation of the Walmart contract required the financing by this customer of production lines invested by the Group. The US subsidiary, which has a contract with this customer, receives the financing of these lines, which are invested and carried by the parent company. Therefore, the parent company borrows the dollars collected by its US subsidiary to finance these lines on its statement of financial position. The resulting reciprocal debt and receivables are eliminated in the consolidated financial statements, but under IAS 21, the exchange difference existing in the financial statements of the parent company, whose functional currency is the euro, must be recognized in the income statement, even if the underlying transaction is eliminated, in order to reflect a potential foreign exchange rate risk between the euro and the dollar at December 31, 2024. Therefore, it is a theoretical expense with no cash impact and does not reflect any impairment for the Group; this expense of €12.5 million, as well as that related to the revaluation of the fair value of the warrants granted to Walmart, are presented in adjustments to the Group Net Result.

Taxes

In view of these results, the Group incurred an income tax expense of €2.2 million in its 2024 consolidated financial statements and €10.0 million in adjusted data.

Net income

VusionGroup's IFRS net result amounted to -€28.9 million in 2024. Excluding the impact of IFRS restatements, adjusted net result amounted to €53.4 million compared to €34.6 million in 2023, i.e., an increase of +54% over the period.

5.1.3 Investments

Capital expenditure

Capital expenditure (CAPEX) in €M	FY 2024	FY 2023
R&D and IT expenditure	**33.3**	**64.2**
Of which EdgeSense (HW)		37.2
Industrial investments	**118.5**	**19.1**
Of which EdgeSense production lines financed by customers	117.3	16.50
Other	6.2	4.10
TOTAL CAPEX	**158.0**	**87.5**
Customer financing of production lines	(117.3)	(16,5)
Cash CAPEX (funded by the Group)	**40.7**	**71.0**
Cash Capex in % adjusted revenue	4.0%	8.8%

In 2024, the Group's capital expenditure totaled €158.0 million including customer pre-financing and €40.7 million in Cash CAPEX (net of customer pre-financing – see comment below) compared to €71 million the previous year.

Investments in R&D and IT amounted to €33.3 million in 2024. Significant past investments have enabled the quick launch in 2024 of **EdgeSense**, this new digital shelf solution (Digital Shelf System), and **VusionOX**, an IoT operating system based on an improved Bluetooth protocol in terms of performance, security and energy consumption. For the first time, a single solution enables a store to locate products, guide and communicate with employees and customers, manage digital signage and soon analyze shelves in real time thanks to a micro-camera integrated into the smart rail. A revolutionary solution with no equivalent on the market.

In 2024, VusionGroup also developed the first prototype of **VusionLive**, an AI assistant for stores and a key data solution for the VusionGroup platform. Analyzing sales and loyalty data in real time, as well as data captured on the shelves via deployed IoT devices, VusionLive offers recommendations powered by artificial intelligence to optimize store sales performance, product mix, inventory management and the customer experience. Presented at the NRF 2025 trade fair in New York, this new solution is already being piloted by several food retailers.

Many other innovations came out of our 9 R&D centers (30% of our workforce) in 2024 and were presented at NRF, for example, a mobile version of Captana and the FreshConnect solution for managing the fresh produce sector.

The other main investment item is in industrial production lines. As a reminder, the Group invested directly in production lines operated by its assembly partners to produce the EdgeSense range of products. This investment, which will continue in 2025, aims to guarantee sufficient levels of production capacity to ensure the large volumes required by the first large customer to roll out the new solution. This customer has agreed to pre-finance the entire investment, as their volume needs will absorb a large portion of the production capacity. The first of these pre-financed production lines is already operational, and three more should be operational during 2025.

1 2 3 4 5 6 7 8 9

5.1.4 Cash Flows

The Group ended 2024 with a positive net cash position of €392.8 million, which was an improvement of €365.6 million compared to the positive net position of €27.2 million at year-end 2023.

Consolidated Cash Flow Statement excluding IFRS 16 impact (€M)	**FY 2024**	FY 2023
Adjusted EBITDA	160.5	106.0
Impact of IFRS 16	(3.6)	(3.8)
Capex	(158.0)	(87.5)
Change in Working Capital	403.1	155.9
Tax	(4.7)	(13.2)
Free Cash flow	397.3	157.4
Net financial result	(14.7)	(6.0)
Incentive plan paid out in treasury shares and cash	(14.8)	(5.0)
Acquisitions	(0.5)	(91.5)
Impact of the changes in consolidation scope		4.7
Dividends	(4.8)	
Other	3.1	8.2
Change in Net Debt	**365.6**	**67.7**
Net Cash / (Debt) before IFRS 16	392.8	27.2
Cash	535.6	199.9
Debt (before impact of IFRS 16)	(142.8)	(172.7)

In 2024, free cash flow amounted to €391 million, up €234 million or +149% compared to 2023.

This performance is explained by the improvement in profitability over the year and also, in part, by the receipt of significant advances on major deployment contracts and the pre-financing of production lines.

Once advance payments received and paid and the financing of the production lines were neutralized, and taking into account a working capital requirement to adjusted turnover ratio of 12%, which is that observed at the end of 2024, the free cash flow amounted to €86 million, i.e., a 54% conversion of adjusted EBITDA.

Based on this strong cash generation, in 2024 the Group opted to unwind a share performance plan in cash and treasury shares dedicated to the teams in the United States. Indeed, the Group held treasury shares acquired at an average price of €113 while the reference price at the time of unwinding in early October 2024 was €146.

Given the growth prospects, it seemed appropriate to settle this plan in cash and treasury shares rather than generate a dilution for shareholders based on a lower share price than it was in early 2025. This generated a cash outflow for the Group of €14.8 million, of which €5 million corresponded to a portion of the treasury shares granted to employees and acquired in 2024.

After taking into account the financial expense with an impact on cash of €14.7 million, the dividend paid in 2024 of €4.8 million and an additional stake in the capital of Belive for €0.5 million, the Group generated a change in its net cash position of €365.6 million.

VusionGroup expects to continue to generate positive cash flow in 2025.

5.2 Analysis of results for the fiscal years ended December 31, 2024, and December 31, 2023

In accordance with Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, paragraph 5.1 “Analysis of 2023 results” of the Company’s 2023 Universal Registration Document filed with the French Financial Markets Authority (Autorité des Marchés Financiers) on May 3, 2024, under number D.24-0394, which is available on the Company's website (https://www.Vusion.com/fr/investisseurs/press-releases-documents/#), is included by reference in this Universal Registration Document.

5.3 Post-closing events

None.

5.4 Recent developments and outlook

With an order book at an all-time high, VusionGroup benefits from a high level of visibility and confidence at the start of 2025.

As a result, the Group has set itself a growth target of around 40%, i.e., an adjusted annual revenue target of €1.4 billion, of which around €600 million in the first half of the year and €800 million in the second half of the year. Expected growth in the current first quarter is around 25%.

Total VAS revenue is expected to increase by around 80%, i.e., at a growth rate twice that of the Group. This VAS will be driven by a solid performance in both recurring and non-recurring VAS.

The Group also confirms the continued improvement in its profitability with an adjusted EBITDA margin now expected to increase by 100 to 200 basis points over the full year in 2025. This increase in profitability should be accompanied by positive free cash flow generation.

Given this positive outlook, the Group reiterates its confidence in its ability to achieve all the objectives of its Vusion'27 strategic plan.

5.5 Report on the parent financial statements

1) Review of the financial statements and results

During the fiscal year ended December 31, 2024, the Company's revenue amounted to €946.0 million, compared to €720.2 million in 2023, i.e., an increase of 31.4%.

Operating expenses for the year consist mainly of the following items:

Sales	€946.0M
Other operating income	€34.3M
Cost of goods sold	€(721.6)M
Other purchases and external expenses	€(76.3)M
Payroll expenses	€(30.2)M
Depreciation and amortization expenses and provisions	€(45.0)M
Taxes and similar charges	€(2.4)M
Other operating expenses	€(19.5)M
Operating result	€85.4M
Net financial result	€(66.1)M
Total current profit (loss) before tax	€19.3M
Corporate income tax	€(0.9)M
Net result	€18.4M

2) Proposed allocation of the Company's profit (loss)

VusionGroup submits to the General Meeting the approval of the annual financial statements (statement of financial position, income statement and notes to the financial statements), as they are presented, reporting a net profit of €18,369,564, allocated as follows:

Net income for the year	€18,369,564
Statutory reserve	€22,611
Distribution of dividends*	€9,643,025
Retained earnings	€8,703,928
Which, added to prior retained earnings, now stands at	€40,103,990

* It is specified that the dividend distribution amount is calculated on the basis of the number of shares comprising the share capital as of 12/31/2024, without taking into account treasury shares. In accordance with the provisions of Article 243 of the French General Tax Code, the General Meeting also specifies that in 2012 and 2023, the Company paid €5,491,011.50 and €4,787,597 in dividends.

Taking into account the proposed allocation of the Company's profit (loss) for the fiscal year, added to the previous legal reserve of €3,191,731, the legal reserve will be allocated to its maximum amount, i.e., €3,214,342.

3) Non-tax deductible expenses

In accordance with the provisions of Article 223 quater of the French General Tax Code, the Company recorded expenditure and expenses provided for under Article 39-4 and 54 quater of said code that amounted to €203,829.

4) Payment terms: suppliers & customers (VAT included)

Accounts payable aging balance

Supplier category	2024 fiscal year, balance in €K	Number of invoices	2023 fiscal year, balance in €K	Number of invoices
Current	137,567	1,159	62,036	716
Overdue < 60 days	7,526	565	32,856	625
Overdue > 60 days[(1)]	6,345	145	18,710	123
Grand total	**151,438**		**113,602**	
	19% purchases excl. VAT		**18% purchases excl. VAT**	
Purchases in €K	797,892	1,869	625,168	1,464
	19%		18%	

(1) Includes €6,777K of inter-company transactions in 2024 at more than 60 days.

Accounts receivable aging balance

Customer category	2024 fiscal year, balance in €K	Number of invoices	2023 fiscal year, balance in €K	Number of invoices
Current	106,058	4,109	62,918	2,514
Overdue < 60 days	16,785	2,111	17,994	1,704
Overdue > 60 days[(1)]	93,944	3,594	28,747	3,557
Grand total[(2)]	**216,787**		**109,659**	
	23% revenue excl. VAT		**15% revenue excl. VAT**	
Revenue in € thousand	946,034	9,814	720,234	7,775
	23%		15%	

(1) Including €88,512K intercompany accounts receivables in 2024 which were settled at January 31, 2025, in the amount of €61,507K.

(2) Includes €154,459K intercompany accounts receivables in 2024.

5) Five-year financial summary

In accordance with the provisions of Article R. 225-102 of the French Commercial Code, the summary of the Company's results for the last five fiscal years is attached to this management report.

Type of information/Period/€	2024	2023	2022	2021	2020
I - Year-end financial position					
a) Share capital	32,143,416	31,917,316	31,701,616	31,522,016	31,516,216
b) Number of shares (year-end)	16,071,708	15,958,658	15,850,808	15,761,008	15,758,108
II - Overall result of operations completed					
a) Revenue	946,033,654	720,233,684	596,576,713	371,256,979	244,434,723
Net result	18,369,564	43,663,335	4,167,242	(4,643,067)	(11,923,028)
Depreciation and amortization expense	38,959,748	20,150,407	16,231,363	13,921,349	10,999,420
Release on depreciation and amortization					
Provisions	65,582,049	12,522,222	17,769,569	15,386,573	4,837,909
Reversal of provisions	(9,823,717)	(18,219,964)	(13,362,913)	(5,552,475)	(2,634,066)
b) Earnings before taxes, amortization and provisions	114,018,668	66,214,481	24,655,261	18,962,380	980,235
c) Corporate tax	931,024	8,098,481	(150,000)	(150,000)	(300,000)
d) Earnings after tax and before amortization, depreciation, and provisions	113,087,644	58,116,000	24,805,261	19,112,380	1,280,235

Type of information/Period/€	**2024**	2023	2022	2021	2020
e) Earnings after tax, amortization, depreciation, and provisions	18,369,564	43,663,335	4,167,242	(4,643,067)	(11,923,028)
f) Amounts of distributed earnings	9,643,025	4,787,597	0	0	0
g) Employee profit sharing	0	0	0	0	0
III - Result of operations expressed per share			**0**	**0**	**0**
a) Earnings after tax and before amortization and depreciation per share	7.01	3.64	2	1	0
H/X					
b) Earnings after tax, amortization, depreciation, and provisions per share	1.12	2.74	0	0	(1)
A/X					
c) Dividend paid to each share	0.60	0.30	0	0	0
IV - Personnel					
a) Number of employees - average headcount	283	262	229	203	201
b) Total payroll	19,388,765	16,998,608	14,351,848	12,446,302	10,931,664
c) Total sums paid for corporate benefits	10,835,147	8,692,440	6,403,616	4,913,625	4,449,326
V - Depreciation and amortization expense					
Allowance for amortization of intangible assets	24,558,049	14,858,117	12,006,441	10,340,267	8,733,250
Allowance for depreciation of property, plant and equipment	14,401,699	5,292,290	4,224,922	3,581,081	2,266,170
Exceptional allowance to depr. of property, plant and equipment					
Total allowances for amortization and depreciation	**38,959,748**	**20,150,407**	**16,231,363**	**13,921,348**	**10,999,420**
VI - Provisions					
Allowance for provision for operating risks and expenses	3,800,000	6,467,895	0	293,000	100,000
Impairment of inventories	9,968,780	3,860,289	3,876,299	6,277,591	1,204,419
Impairment of doubtful receivables	82,509	208,469	173,895	147,798	168,038
Allowance for provision for financial risks and expenses	51,730,760	1,985,568	13,719,375	8,668,184	3,365,452
Total allowances for provisions	**65,582,050**	**12,522,222**	**17,769,569**	**15,386,573**	**4,837,909**
VII - Reversal of provisions					
Reversal of provisions for operating risks and expenses	231,000	62,000	0	100,000	113,000
Reversal of provisions for impairment of inventories	7,483,487	4,264,694	4,546,931	1,918,985	117,961
Reversal of provisions for impairment of doubtful receivables	123,662	173,895	147,798	168,038	284,207
Reversal of provisions for financial risks and expenses	1,985,568	13,719,375	8,668,184	3,365,452	2,118,899
Reversal of provisions for exceptional risks and expenses					
Total releases on allowances	**9,823,717**	**18,219,964**	**13,362,913**	**5,552,475**	**2,634,066**
VIII - Net Income Taxes					
Income tax	1,021,186	8,248,481			
Tax credit	(90,162)	(150,000)	(150,000)	(150,000)	(300,000)
TOTAL	**931,024**	**8,098,481**	**(150,000)**	**(150,000)**	**(300,000)**

6

Financial Statements

6.1 Group consolidated financial statements for the year ended December 31, 2024 **241**
- 6.1.1 Consolidated financial statements 241
- 6.1.2 Notes to the consolidated financial statements 245

6.2 Separate financial statements for the year ended December 31, 2024 **264**
- 6.2.1 Annual financial statements 264
- 6.2.2 Appendices 267

6.3 Statutory Auditors' reports **280**

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following financial statements and auditors' reports are incorporated by reference in this Universal Registration Document:

- The consolidated financial statements and the separate financial statements for the year ended December 31, 2023, as well as the related Statutory Auditors' reports, presented respectively on pages 207 to 230, 231 to 248, and 249 to 256 of the 2023 Universal Registration Document filed with the French Financial Markets Authority (AMF - Autorité des Marchés Financiers) on May 3, 2024, under number D.24-0394, available on the company's website (https://www.Vusion.com)

Consolidated financial statements at December 31, 2024 (IFRS)

VusionGroup is a company with a Board of Directors listed on Eurolist Euronext Paris (Compartment B, ISIN code FR 0010282822).

The consolidated financial statements of the VusionGroup group (hereinafter "the Group") at December 31, 2024, cover a period of 12 months and present a balance sheet total of €1,669,245 thousand and a consolidated net profit of -€28,895 thousand. They were approved by the Board of Directors on April 23, 2025.

6.1 Group consolidated financial statements for the year ended December 31, 2024

6.1.1 Consolidated financial statements

I.1 Consolidated balance sheet

Assets

In € '000	Notes	12/31/2024	12/31/2023
Intangible assets	1	291,972	296,193
Property, plant and equipment	2	144,270	36,168
Rights of use	2	8,947	9,468
Financial assets	3	20,594	20,379
Deferred tax assets	22	22,918	14,530
Non-current assets		**488,701**	**376,739**
Inventories and Work In Progress	4	147,426	124,994
Trade receivables	5	329,294	131,686
Current taxes	6	8,708	–
Other current receivables	6	159,483	218,610
Cash and cash equivalents	7	535,634	199,916
Current assets		**1,180,545**	**675,206**
TOTAL ASSETS		**1,669,245**	**1,051,945**

Liabilities and shareholders' equity

In € '000	Notes	12/31/2024	12/31/2023
Capital	8	32,143	31,917
Consolidated reserves		216,343	248,562
Equity attributable to owners of the parent		248,486	280,479
Non-controlling interests		(4,510)	(3,532)
Equity		**243,977**	**276,947**
Non-current provisions	10	16,026	12,392
Deferred tax liabilities	22	17,392	17,078
Loans	11	142,866	172,655
Non-current lease liabilities	11	5,994	7,076
Other non-current liabilities	12	12,494	12,426
Non-current liabilities		**194,772**	**221,627**
Trade payables	13	219,684	148,466
Current lease liabilities	11	3,884	3,373
Other debts and accrual accounts	14	1,006,927	401,533
Current liabilities		**1,230,495**	**553,372**
TOTAL EQUITY & LIABILITIES		**1,669,245**	**1,051,945**

I.2 Consolidated income statement

Income statement

In € '000	Notes	12/31/2024	12/31/2023
Revenue	**15**	**954,708**	**801,958**
Cost of goods sold	16	(692,442)	(579,312)
External expenses	17	(80,310)	(62,379)
Payroll expenses	18	(95,509)	(67,596)
Taxes and duties		(2,910)	(2,828)
Depreciation and amortization expense	1 & 2	(57,544)	(36,529)
Other operating expenses	19	(3,195)	(2,772)
Other operating income	20	496	931
Operating profit (loss)		**23,295**	**51,473**
Other financial income	21	19,426	83,535
Other financial expenses	21	(68,887)	(40,185)
Leasing related interest expenses	21	(541)	(366)
Net financial result		**(50,003)**	**42,983**
Tax expense or income	22	(2,187)	(14,887)
Net result		**(28,895)**	**79,569**
Group share		(27,758)	79,767
Non-controlling interests		(1,137)	(197)

Earnings per share	12/31/2024	12/31/2023
Profit (Loss) - Group share in € '000	(27,758)	79,767
Weighted average number of shares	16,006,225	15,897,494
Performance shares[(1)]	**303,384**	**238,748**
Share subscription warrants	**1,761,200**	**1,761,200**
Earnings per share (in €)		
• before dilution	(1.73)	5.02
• after dilution	(1.73)	4.46

(1) Concerns shares granted but not delivered at the reporting date. At December 31, 2024, this corresponded to 125,848 shares under the 2023 plan and 177,536 shares under the 2024 plan.

I.3 Net income and comprehensive income

In € '000	12/31/2024	12/31/2023
Net profit/(loss)	**(28,895)**	**79,569**
Items potentially classified to profit or loss (recyclable)	*432*	*625*
Translation differences	463	20
Cash flow hedge	(31)	605
Items not reclassified as profit or loss (non-recyclable)	*13*	*(40)*
Actuarial gains and losses on retirement plans	13	(40)
Comprehensive income	**(28,449)**	**80,154**
• parent company's share	(27,312)	80,352
• non-controlling interests' share	(1,137)	(197)

I.4 Consolidated statement of changes in equity

In € '000	Capital	Reserves + Profit	Equity attributable to owners of the parent	Shareholders' equity	Equity
Equity at 12/31/2022	**31,702**	**164,143**	**195,845**	**(2,520)**	**193,324**
Capital Increase	215	9,319	9,534		9,534
Treasury shares		(4,521)	(4,521)		(4,521)
Change in scope			0	(815)	(815)
Other changes		(729)	(729)		(729)
Shareholders' transactions	**215**	**4,069**	**4,284**	**(815)**	**3,469**
2023 profit (loss)		79,767	79,767	(197)	79,569
Other comprehensive income		585	585		585
Total comprehensive income for the period	**0**	**80,352**	**80,352**	**(197)**	**80,154**
Equity at 12/31/2023	**31,917**	**248,562**	**280,479**	**(3,532)**	**276,947**
Capital Increase	226	(4,156)	(3,930)		(3,930)
Treasury shares		4,907	4,907		4,907
Change in scope		401	401	159	560
Dividends[1]		(4,936)	(4,936)		(4,936)
Other changes [(2)]		(1,123)	(1,123)		(1,123)
Shareholders' transactions	**226**	**(4,907)**	**(4,681)**	**159**	**(4,522)**
2024 Profit (Loss) - Group share		(27,758)	(27,758)	(1,137)	(28,895)
Other comprehensive income		446	446		446
Total comprehensive income for the period	**0**	**(27,312)**	**(27,312)**	**(1,137)**	**(28,449)**
Equity at 12/31/2024	**32,143**	**216,343**	**248,486**	**(4,510)**	**243,977**

(1) Of which €4,771 thousand in dividends were paid by VusionGroup S.A in 2024 in respect of the 2023 results, i.e., €0.30 per share (excluding own equity shares).
(2) The other changes mainly correspond to the acquisition of a minority stake in the subsidiaries Pdi Digital Gmbh for an amount of €1,356 thousand and Belive for an amount of €455 thousand, i.e., an impact of €(1,811) thousand.

(1)

I.5 Consolidated statement of cash flows

In € '000	12/31/2024	12/31/2023	References
- Consolidated net income (including non-controlling interests)	(28,895)	79,569	
+/- Net increase in amortization/depreciation and provisions	67,314	47,248	Notes 1, 2, 9
-/+ Other calculated income and expenses	100,949	(34,818)	Note 5.1.4
-/+ Gains and losses on disposals and financial instrument profit or loss	0	(770)	Note 5.1.4
Cash flow after cost of net financial debt and tax	139,368	91,229	
+/- Tax expense (including deferred taxes)	2,187	1,190	
= Cash flow from operations after cost of net financial debt and before tax	**141,555**	**92,419**	
+/- Change in WCR related to operations	403,080	155,896	(1)
= Net cash flow generated by operations	**544,635**	**248,315**	
- Disbursements related to acquisitions of property, plant and equipment and intangible assets	(157,986)	(87,519)	Notes 1 & 2
- Disbursements related to the acquisition of financial assets	(327)	(288)	Note 3
+ Proceeds from disposals of financial assets	13	283	
- Impact of changes in scope	(15,271)	(80,673)	
= Net cash flow from financing activities	**(173,571)**	**(168,197)**	
+ Loan issues	92	278,952	Note 11
+ Loan repayments	(29,881)	(185,195)	Note 11
+ Lease debt repayments	(572)	(3,395)	Note 11
- Dividend distribution	(4,771)	0	
-/+Treasury share buybacks and resales	(678)	(4,521)	
= Net cash flow from financing activities	**(35,810)**	**85,841**	
+/- Impact of changes in foreign currency exchange rates	463	20	
= Change in cash flow	**335,718**	**165,979**	
Opening cash position	**199,916**	**33,937**	
Closing cash position	**535,634**	**199,916**	

	12/31/2024	12/31/2023	Non-cash items	Change in cash WCR
Inventories	147,426	124,994	5,509	(27,941)
Customers	329,294	131,686	331	(197,939)
Trade payables	(219,684)	(148,466)	—	71,218
Other receivables	168,191	218,610	36,592	13,827
Other debts	(1,006,927)	(401,533)	61,478	543,916
TOTAL				**403,080**

1
2
3
4
5
6
7
8
9

6.1.2 Notes to the consolidated financial statements

The consolidated financial statements of the Vusion (SES-imagotag) Group at December 31, 2024, were approved by the Board of Directors on April 23, 2025, and will be submitted for approval to the General Meeting on June 17, 2025.

SES-imagotag (Euronext: VU, FR0010282822) changed its name on January 1, 2024, to become VusionGroup. This name change followed a resolution voted on by the General Meeting on June 23, 2023.

II.1 Accounting rules and policies

II.1.1 Basis of preparation of the consolidated financial statements

II.1.1.1 Consolidated financial statements - Basis of preparation

The consolidated financial statements for the 2024 fiscal year have been prepared in accordance with international accounting standards as adopted by the European Union at December 31, 2024. International standards include the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

In the absence of standards or interpretations applicable to a specific transaction, the Group's management uses judgment to define and apply the accounting policies that will make it possible to obtain relevant and reliable information, so that the financial statements:

- present a true and fair view of the Group's financial position, financial performance and cash flows;
- reflect the economic reality of transactions;
- are neutral;
- are cautious; and
- are complete in all material respects.

The presentation currency of the consolidated financial statements is the euro. All values are rounded to the nearest thousand, unless otherwise indicated.

The financial statements are prepared on a historical cost basis with the exception of a certain number of asset and liability accounts which have been measured at fair value.

The consolidated financial statements include the financial statements of the subsidiaries, listed in § II.6. The financial statements of the subsidiaries are prepared for the same fiscal year as those of the parent company, using the same accounting policies.

The Group's companies close their annual financial statements on December 31. All intra-group balances, intra-group transactions and unrealized proceeds, expenses and gains and losses included in the carrying amount of assets arising from internal transactions are eliminated in full.

New mandatory regulation applicable from January 1, 2024, and applied for the first time by the Vusion (SES-imagotag) Group:

None.

New mandatory regulation applicable from January 1, 2024, and concerning the Group did not have a significant impact on the consolidated financial statements. They concern:

- Amendment to IAS 1 - Presentation of financial statements - Impact of covenants on the classification of financial debt as current or non-current liabilities;
- Amendment to IAS 7/IFRS 17 - Supplier financing arrangements;
- Amendment to IFRS 16 - Lease debt in a sale-leaseback transaction.

These amendments to the standards and interpretations, applicable from January 1, 2024, have no impact on the financial statements at December 31, 2024.

New published IFRS standards, interpretations and amendments that are not yet applicable or that have not been applied by the Group in advance:

The entry into force of the worldwide minimum tax, with the transposition of Council Directive (EU) 2022/2523 of December 14, 2022 - known as the Pillar 2 Directive - into French law and its application to fiscal years beginning from January 1, 2024, for a first declaration on June 30, 2026, should be noted. The May 2023 amendment to IAS 12 "International tax reform - Model Pillar 2 rule" provides for a temporary mandatory exemption from the recognition of deferred tax in respect of additional tax in the financial statements and in the specific information to be included in the notes to the financial statements. The Group was not subject to this text in 2024 but should be as of the next fiscal year. Given the average rate applied, the Group does not expect a significant impact on the financial statements.

The Group did not apply other standards and interpretations that were not mandatory in 2024 but which may be applied in advance during the fiscal year.

However, the Group reviewed all new standards, amendments, and interpretations that will apply at a later date. In particular, the IASB published IFRS 18 on the presentation and information to be disclosed in financial statements. This new standard will be mandatory for fiscal years beginning on or after January 1, 2027, retrospectively with restatement of the comparative, subject to its adoption by the European Union. Given the structural changes that this standard introduces, an impact study will be initiated in 2025.

Assessment of the effects of climate change

Considering:

- the Group's activities and its geographical location;
- the nature and magnitude of current and potential impacts of climate change risks and opportunities as identified and assessed in the risk factors and sustainability report; and
- commitments being defined by the Group in this area,

The Group has not identified any significant effects for the 2024 fiscal year. In particular, no significant provision for environmental risks and expenses was recorded in the consolidated balance sheet at December 31, 2024. As the climate change mitigation and adaptation plan has not been finalized (see section 4 of the sustainability report), the Group has not identified any significant effects of the commitments made in this area on the value of its tangible assets.

II.1.1.2 Business combinations

Business combinations are dealt with under IFRS 3 revised, which assesses the notion of "takeover" in the application to securities acquisition transactions. The impacts are recognized in shareholders' equity.

In a business combination, the fair value of the consideration transferred is allocated to the identifiable assets acquired and the liabilities assumed. Liabilities are measured at fair value on the acquisition date.

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in a normal transaction between market participants at the measurement date.

In this context, goodwill represents the residual excess of the consideration transferred plus non-controlling interests, and for business combinations carried out in stages, the revaluation of the former owned share over the fair value of the identifiable assets and liabilities and any contingent liabilities that can be reliably measured at the acquisition date.

The allocation period is limited to the period required to identify and measure the assets and liabilities of the acquired company, the non-controlling interests, the price paid and the fair value of the previously acquired share but cannot exceed 12 months.

Subsequently, goodwill is measured annually at its cost, less any impairment losses based on a decrease in value determined as indicated in the paragraph below "Intangible assets", in accordance with IAS 36. In the event of a decrease in value, the impairment is recorded as an operating loss in the income statement.

With regard to puts on non-controlling interests issued after first-time application of IFRS 3R and IAS 27R, the Group recognizes subsequent changes in debt in equity (transactions between the controlling shareholder and non-controlling interests, which involve equity securities but have no impact on control).

II.1.1.3 Estimates and judgments

The financial statements have been prepared according to the historical cost principle except for financial instruments which are recognized at fair value. The preparation of the financial statements requires, in accordance with the conceptual framework of IFRS, the making of estimates and use of assumptions that affect the amounts appearing in these financial statements. The significant estimates made by Vusion (SES-imagotag) for the preparation of the financial statements mainly relate to:

- fair value measurement of assets, liabilities and contingent liabilities obtained during an acquisition (IFRS 3 - Business combinations);
- the measurements used for impairment tests on assets, in particular the recoverable amount of goodwill;
- the fair value measurement of financial instruments;
- the estimate of price discounts on future volumes, the amount of future royalties to be paid to customers and the measurement of the fair value of the share subscription warrants constituting a discount paid in advance to the customer, as part of the recognition of revenue;
- valuation of the recoverable amount of receivables and inventories;
- estimates of liabilities, in particular for litigation and uncertain tax positions;
- the assumptions used to recognize deferred tax assets;
- put obligations;
- rights-of-use and lease obligations resulting from leases;
- fair value of equity instruments;
- share-based payment expense.

Due to the uncertainties inherent in any valuation process, Vusion (SES-imagotag) revises its estimates on the basis of regularly updated information. It is possible that the future results of the operations concerned may differ from these estimates.

II.1.2 Intangible assets (IAS 38)

Intangible assets include:

- development costs;
- patents;
- software;
- ERP;
- goodwill;
- customer databases;
- technologies.

Intangible assets acquired separately are recognized at their acquisition cost and are amortized.

Amortization is calculated using the straight-line method based on the estimated useful lives of the assets, on the following basis:

	Depreciation period
Technologies	**6 to 15 years**
Development expenses	**5 years**
Patents	**10 years**
ERP	**6 to 10 years**
Customer base	**15 years**
Software	**2 to 5 years**

No residual value is used to determine the basis for amortization.

Impairment testing

In accordance with IAS 36, goodwill is tested for impairment annually and other amortizable intangible assets are tested when there is evidence of impairment. The existence of this evidence is examined at each annual and interim reporting date.

Given the overall management of Vusion's (SES-imagotag) activities from a technological and geographical point of view, it is impossible to allocate assets and cash flow to clearly identified subgroups within the Group. Goodwill is monitored on the basis of a single cash-generating unit.

The impairment test consists of comparing the net carrying amount of the asset with its recoverable amount, determined as the higher of its fair value less costs to sell and its value in use.

Fair value less disposal costs is preferred in the rare cases where a recent transaction on the assets concerned makes the information available and reliable. In most cases, the value-in-use is estimated by using cash flow projections based on existing operating forecasts for a period of five years, including growth and profitability rates that are considered reasonable. The assumptions made are those of sustained market growth, driven by a current low penetration of ESL solutions and growing strongly under the effect of equipment from major global retailers as currently observed. In this context, the growth rate is high, above 20% per year until 2028, the rate of operating expenses decreased and the gross margin increased, thanks to the development of higher-margin recurring services.

The main assumptions used are:

- the five-year activity forecast, carried out by management;
- the long-term growth rate of 3% reflects the growth rate of a technological market that is still dynamic at this time;
- a discount rate of 11.5% applied to cash flows.

The recoverable amount resulting from the impairment test is higher than the carrying amount of the assets.

The sensitivity of the result to variations of plus or minus 1 point in the assumptions used does not impact the results of the goodwill impairment test.

An impairment loss is recognized in the event of a loss of value. Impairment losses may be reversed when conditions have changed, except for goodwill. With the exception of goodwill, impairment losses affect the amortization schedule prospectively since they are charged against the amortizable base.

Development expenses

Vusion's (SES-imagotag) development expenses are recorded as expenses for the period during which they are incurred, with the exception of development expenses for projects that meet the following criteria:

- the product or process is clearly identified and the costs can be reliably segregated;
- the technical feasibility of the product is demonstrable;
- the product or process will be marketed or used internally and will generate probable future economic benefits;
- there is a potential market for the product or its internal utility has been demonstrated;
- the resources required to complete the project are available.

Development costs that do not meet the above criteria are recognized as expenses in the year in which they are incurred. Capitalized development costs are amortized on a straight-line basis over their useful life.

Patents

Concerning the assessment of patents, the Group used the acquisition cost method in the event there is no active market.

II.1.3 Property, plant and equipment (IAS 16)

Property, plant and equipment are recorded at cost less depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis over the following useful lives:

	Depreciation period
Industrial tools and equipment	**3 to 5 years**
Fixtures and fittings	**5 to 10 years**
Furniture, office supplies and IT hardware	**1 to 10 years**

No residual value is used to determine the basis for amortization.

Depreciation periods are reviewed annually at the end of each accounting period. Any change in duration is treated as a change in estimate applied prospectively in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and gives rise to the recognition of additional impairment.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes indicate that the carrying amount may not be recoverable. If there is any such indication and if the carrying amounts exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the higher of the selling price net of disposal costs and the value-in-use. To measure value-in-use, the estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments, time value, money and the risks specific to the asset.

II.1.4 Leases (IFRS 16)

IFRS 16 "Leases", whose application was mandatory as of January 1, 2019, replaces IAS 17 "Leases" and related interpretations. When entering into a lease with fixed payments, this standard requires the recognition of a liability in the statement of financial position corresponding to the discounted future payments, in exchange for rights-of-use to the asset depreciated over the term of the contract.

The Group applied the so-called "modified retrospective" transition method by which a liability is recognized at the transition date equal to only the discounted residual rents, in exchange for a right-of-use amount adjusted for the amount of rents paid in advance or recorded as accrued expenses, and the costs of refurbishment. In line with the various simplification approaches provided for by the standard, the Group has excluded leases with a residual term of less than 12 months.

Leases include offices and warehouses, production lines and industrial equipment, vehicles and IT equipment.

The lease term used is the non-cancellable term during which the Group has the right to use the underlying asset, to which are added, if their exercise is deemed reasonably certain, the renewal options or termination options provided for in the contracts. The discount rate is determined for each contract by reference to the incremental borrowing rate, for the residual term of the contract..

II.1.5 Inventories (IAS 2)

Inventories are valued, in accordance with IAS 2, at the lower of cost and net realizable value.

The valuation of finished products consists of the following items:

- cost of components valued at the weighted average unit cost;
- cost of the assembly service by the subcontractor;
- additional costs mainly consisting of storage costs for components;
- label transit costs.

The net realized value is the estimated selling price in the normal course of business, decreased by estimated costs for completion and the estimated costs required to complete the sale.

When the net realizable value is lower than the value of the inventory, a provision for impairment is recognized according to the following method:

The depreciation of inventories is determined according to the category of the product and the related rotation rules as described below:

For each category, the rule consists of:

1) Calculating the rotation of the products concerned. This gives the number of days since an article within a given category was last consumed;
2) Only products that have not been rotated for more than six months may be subject to a provision for impairment:

   A. New products not refurbished:

   - 50% of the gross value for assets that have not been rotated for more than six months,
   - 80% of the gross value for assets that have not been rotated for more than 12 months,
   - 100% of the gross value for assets that have not been rotated for more than 18 months,
   - 100% of the gross value for assets that have never been rotated.
   - Among these, the following items are excluded from the calculation of the provision, namely:
     - Products for which there is a firm order for the coming 12 months or a minimum 90% chance of a business opportunity that would cover at least 50% of the inventory quantities,
     - Products subject to refurbishing or reworking in order to sell the products in question,
     - innovative products for future products ranges.

   B. Refurbished or refurbishable goods

   - depreciation of 50% of the gross value of these goods in the inventory exceeding 18 months past or future consumption if the product has yet been rotating over the last 12 months,
   - depreciation of 100% of the gross value of these goods in the inventory exceeding 18 months past or future consumption if the product has not been rotating over the last 12 months,
   - depreciation of 100% of the gross value of these goods that have never been rotated.

II.1.6 Financial assets, receivables and other current assets (IFRS 9)

For financial assets, upon initial recognition of an equity security that is not held for trading purposes, the Group may irrevocably elect to present in other comprehensive income subsequent changes in fair value of the security. This choice is made for each investment. At December 31, 2024, the Group held a minority stake (note 3 financial assets) to which this choice was applied.

For trade receivables including contract assets, the Group has assessed the losses actually incurred in recent years on its customer portfolio and concluded that the new IFRS 9 impairment model as of January 1, 2019 has no material effect on the Group's financial statements compared to the IAS 39 model.

Regarding the provision for impairment of trade receivables, the Company estimates, on an individual basis, the risk of expected credit losses.

II.1.7 Financial instruments (IFRS 9)

IFRS 9 sets out the requirements for the recognition and measurement of financial assets and liabilities, as well as certain contracts for the purchase or sale of non-financial assets.

All derivative instruments are valued in the statement of financial position at their fair value, in accordance with IFRS 9.

Derivative financial instruments consist of forward foreign exchange contracts.

The management of financial risks by the Vusion (SES-imagotag) Group (interest rate risk, foreign exchange risk, counterparty risk and liquidity risk) is described in note 26 of this document as well as in chapter 2.1.4 of the "Risk factors and uncertainties" section.

Derivative financial instruments are contracted by the Group as part of its foreign exchange risk management policy. The recognition of financial instruments as hedging instruments then depends on whether or not they are eligible for hedge accounting.

The Group has implemented a factoring contract that ensures the legal transfer of rights to assigned receivables to the extent that the assignment is made in accordance with the provisions of Article 1346-1 of the Civil Code and Articles L.313-23 to L.313-34 of the French Monetary and Financial Code. The contract also provides for the substantial transfer of the credit risk and late payment associated with these same claims taking into account the collateral approvals granted by the factoring company covering both the risk of non-payment (from the due date) as well as the risk of insolvency of the debtor, thus limiting the factoring company's right of recourse to the Group in the event of non-payment. In addition, the dilution risk, retained by the Group, was analyzed in light of the actual level of non-values on the basis of historical data on the scope of the receivables assigned. The terms of the compensation are fixed and not revisable after the transfer of the invoices. Thus, the result of these various analyses (transfer of contractual rights to receive cash flows and substantial transfer of risks and benefits) made it possible to conclude on the deconsolidating nature of the contract.

II.1.8 Forward purchases

The Group has opted for cash flow hedge accounting for its forward purchases.

Forward exchange contracts used by the Group may be qualified as cash flow hedges. A cash flow hedge is used to protect against changes in the value of cash flows denominated in foreign currencies. Derivatives are measured at their fair value upon initial recognition. Subsequently, at each reporting date, the fair value of the derivatives is re-estimated. The fair value of forward foreign exchange contracts is determined by reference to what the Group would receive (or pay) to unwind the current contracts at the reporting date.

Hedge accounting is applicable if, and only if, the following conditions are met:

- the hedging relationship is composed solely of items eligible for hedge accounting;
- a hedging relationship is clearly identified, formalized and documented from the date it is set up;
- the hedging relationship complies with the following effectiveness criteria:
  - there is an economic relationship between the hedged item and the hedge,
  - there is no preponderance of credit risk in the change in fair value of the hedging item and the hedged item,
  - the hedging ratio of the hedging relationship is equal to the ratio between the amount of the hedged item that is actually hedged by the entity and the amount of the hedging instrument that the entity actually uses to hedge that amount of the hedged item.

Changes in the value of the effective portion of cash flow hedges are recognized in Other comprehensive income. The ineffective portion of hedging derivatives is recognized in the income statement.

The deferral/discount component is excluded from the hedging relationship, and changes in value are recognized in profit or loss under "Other finance income and expenses".

II.1.9 Cash and cash equivalents

Cash and cash equivalents include:

- financial investments, which are highly liquid and have a very limited risk of changes in value;
- bank accounts;
- cash accounts.

Marketable securities (SICAV money market funds) are recognized at fair value at the reporting date (fair value level 1).

Term deposit accounts are recognized at amortized cost.

II.1.10 Treasury shares (IAS 32)

According to IAS 32 "Financial Instruments", if an entity repurchases its own equity instruments, they must be deducted from equity. No gain or loss should be recognized in profit or loss on the purchase, sale, issue or cancellation of the entity's equity instruments.

Such treasury shares may be acquired and held by the entity or by other members of the consolidated group. The consideration paid or received must be recognized directly in equity.

II.1.11 Provisions (IAS 37)

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", the Group recognizes a provision when, at the reporting date, it has an obligation (legal or constructive) vis-à-vis a third party resulting from a past event whose settlement is likely to result in an outflow of resources representing economic benefits for the Group, and when the amount of the loss or liability can be reliably measured.

In the event that this loss or liability is neither probable nor reliably measurable, but remains possible, the Group recognizes a contingent liability in its commitments.

Provisions are intended, in particular, to cover the probable costs that may be incurred due to ongoing lawsuits or litigation, the operative event of which existed at the reporting date.

II.1.12 Stock options and allocation of bonus shares (IFRS 2)

IFRS 2 "Share-Based Payment" provides for the recording of an expense in return for services obtained under share subscription plans (and similar) granted to employees.

The Group has set up stock option plans, bonus shares or share purchase plans and has issued warrants to certain employees. The purchase or subscription option prices are set by the Board of Directors, which grants the options.

Changes in values subsequent to the grant dates have no impact on the initial valuation of the options; the number of options taken into account to value the plans is adjusted at each closing date to take into account the presence of the beneficiaries and the achievement of internal performance conditions for the purposes of vesting periods.

The valued benefit is equivalent to compensation paid to the beneficiaries, which is therefore recognized in employee benefits expenses on a straight-line basis over the vesting period, with a corresponding adjustment in shareholders' equity.

Stock option subscription plans were valued by reference to the fair value of the instruments granted.

The fair value of the bonus shares granted corresponds to the value of the share on the day of the grant less the assumption of a dividend distribution during the vesting period. The overall plan expense corresponds to the estimated fair value multiplied by the number of shares granted over the vesting periods envisaged in the plan, multiplied by the probability of achieving the performance objectives.

II.1.13 Employee benefits (IAS 19 revised)

End-of-career benefits

The provision for employee benefits relates exclusively to retirement benefits that are legally payable to employees in France.

The calculation is made in accordance with the revised version of IAS 19, using the projected unit credit method. Under this method, entitlements are allocated to periods of service according to the plan's vesting formula, taking into account a linearization effect when the rate of entitlement is not uniform over the course of the subsequent periods of service.

The amount of future payments corresponding to the benefits granted to employees is measured on the basis of assumptions for changes in salaries, retirement age and mortality, then reduced to their present value on the basis of interest rates on long-term bonds of first-class issuers.

The expense for the fiscal year corresponding to the change in the cost of services rendered is recognized in employee benefits expenses; the cost of discounting is recognized in finance expenses.

In addition, actuarial gains and losses resulting from experience-related adjustments and changes in actuarial assumptions are now recognized in "Other comprehensive income".

II.1.14 Deferred taxes (IAS 12)

Deferred taxes result from temporary differences between the carrying amount and tax value of assets and liabilities in the statement of financial position. In accordance with IAS 12 "Income Taxes", they are accounted for using the liability method, based on the future tax rates adopted at reporting date on December 31, 2024.

The Group recognizes a deferred tax asset for tax losses and unused tax credits carried forward, to the extent that it is probable that future taxable profits will be available against which these unused tax losses and tax credits can be offset, taking into account the carry-forward periods and applicable tax rates in each country.

II.1.15 Research tax credit (IAS 20)

The research tax credit is a tax incentive similar to a subsidy. It therefore falls within the scope of IAS 20. According to this standard, the research tax credit must be allocated according to whether R&D expenditure is recognized as an asset (recognition of development expenses as intangible assets according to IAS 38) or as a profit or a loss, when the development expenses cannot be recognized as an asset.

For the share of capitalized development costs, the recognition in the income statement of the research tax credit generated is deferred over time over the amortization period of the underlying capitalized development costs. For the share of research expenses recognized as expenses, the research tax credit is recognized immediately in the income statement. The Group has opted to recognize the entire research tax credit as a deduction from expenses recognized in the income statement, under other external expenses.

II.1.16 Translation of foreign currency items

The consolidated financial statements at December 31, 2024 were prepared in euros, which is the parent company's functional currency.

Each Group entity determines its own functional currency and the items included in the financial statements of each entity are measured using this functional currency.

Recognition of foreign currency transactions in the financial statements of consolidated companies

Foreign currency transactions recognized in the income statement are translated at the exchange rate prevailing on the transaction date, with the exception of transactions for which the Company has hedges (USD). On initial recognition, hedged items are recognized at the current exchange rate. However, if the hedged item is a purchase that will be held in inventory, the impact of hedges is recognized in the initial amount of the inventory. Monetary items expressed in foreign currencies, recognized in the statement of financial position, are translated at the exchange rate prevailing at the reporting date, with the exception of debts denominated in US dollars which are translated at the hedge rate. The resulting exchange differences are recorded in the income statement.

Conversion of foreign subsidiaries' financial statements

The financial statements of Group companies, whose functional currency is different from the consolidation currency, are converted into euros:

- assets and liabilities are translated into euros at the exchange rate prevailing on the closing date;
- income and expenses are translated at the average exchange rate for the period as long as this is not affected by significant changes in exchange rates;
- the resulting translation differences are recognized in other items in the profit (loss).

II.1.17 Earnings per share

The Group reports basic earnings per share and diluted earnings per share.

Net earnings per share are obtained by dividing net profit or loss by the weighted average number of shares outstanding during the year. Diluted earnings per share are calculated by using the conversion into ordinary shares of dilutive instruments outstanding at the reporting date.

II.1.18 Revenue from contracts with customers (IFRS 15)

Income is recognized and presented in accordance with IFRS 15 "Income from Contracts with Customers".

The Group's revenue can be broken down into revenue from goods and services. The operative event is the transfer of control to the customer. Depending on the services provided, this translates into:

- when the Group is in charge of installing the shelf label systems, revenue is recognized when the system becomes operational. At the closing of the accounts, for installations invoiced but not yet completed, deferred income is recognized, and for installations completed but not yet invoiced, accrued income is recognized;
- when the Group only delivers labels, revenue recognition is based on the transfer of control to the customer, taking into account contractual provisions and incoterms;
- the substantial rights granted to the customer result in the deferral of revenue to subsequent periods;
- training services are invoiced and recognized when the service is provided, independently of the delivery of the labels;
- annual lump-sum rebates granted to customers are recorded as a reduction of sales;
- maintenance contracts are invoiced in advance for quarterly or six-month periods. Deferred income is recognized to cancel the revenue related to the following fiscal year on a *pro rata* basis;
- specific development costs incurred in connection with the acquisition of new customer contracts are expensed in the year in which they are incurred, and consideration paid to customers is recognized as a reduction in revenue, where applicable, except for those meeting the following criteria:
  - the costs of obtaining contracts (specific incremental),
  - contract fulfillment costs.

At the end of each fiscal year, the specific incremental costs of obtaining contracts are capitalized and amortized in accordance with the expected recognition of revenue (IFRS 15 compliant).

In April 2023, the Group signed a deployment contract with Walmart to equip its stores in the United States.

This contract, consisting of three successive fulfillment orders (Statements Of Work or SOW), is of an unprecedented scale for the Group and provides for the equipment of all stores in the United States with EdgeSense, the new hardware solution developed by the Group, as well as the subscription to Cloud-hosted services developed by the Group.

As part of the IFRS 15 analysis of this contract, the Company has identified points of attention in particular:

- payments to customers and the pre-financing of production lines similar to an advance payment on future deliveries;
- discounts on volumes sold;
- the issuance of share subscription warrants (BSA) exercisable according to the future volumes to be delivered, similar to a discount granted in advance on future revenue.

In order to ensure significant production volumes, Walmart and the Group have agreed to invest in four production lines. This investment is supported by VusionGroup and appears in its capital expenditure but it is fully pre-financed by Walmart. The Group considered this advance payment to be a contract liability recognized in the Other current debts section (Other debts and accrual accounts) on the date of the advance payment to the Group, for a provisional amount of $323 million. The contract provides that the amount received as part of this pre-financing may be partially repaid if Vusion uses these lines for other customers. This reimbursement was treated as a "consideration payable to the customer" and recognized as a contract liability in the statement of financial position, for the maximum amount expected. Any subsequent change in this amount will impact revenue. The estimated non-repayable portion of this advance is recognized in revenue as and when deliveries are made.

As this is a multi-year deployment agreement, Walmart and VusionGroup also agreed on a price reduction mechanism based on volumes. As a result, the Group has used an average volume-weighted selling price calculated from estimated volumes and projected revenue over the term of the contract to recognize hardware solutions sales in its revenue.

Lastly, in connection with the signing of this deployment agreement, the shareholders of VusionGroup agreed at the General Meeting of June 2, 2023 to allocate 1,761,200 Share subscription warrants (BSA) to Walmart. These share subscription warrants are exercisable subject to the achievement of a minimum of $700 million in expenditure incurred with VusionGroup. Once this amount of expenditure has been reached, Walmart may exercise its warrants pro rata to the expenses for the benefit of VusionGroup, with 100% of the warrants being exercisable if this amount of expenditure with VusionGroup reaches $3 billion. These share subscription warrants are exercisable over a maximum period of seven years from the time the expenditure threshold of $700 million is reached. The threshold was reached in August 2024. As the share subscription warrants were issued at a higher value than their subscription cost in conjunction with the sales contract, they are equivalent to a payment in kind made to the customer. Payments in kind to customers must be measured at fair value. IFRS 15 does not specify the date on which the payment in kind must be measured. The Company considered that this valuation should be made at the date of the decision of the General Meeting. This amount of €163 million, which will not be reassessed at a later date, was recognized as a discount paid in advance and presented under Other current receivables in the statement of financial position, and will be deducted from revenue as and when the corresponding deliveries are made.

The BSA contracts do not meet the conditions to be recognized in equity instruments (variable number of shares). Consequently, they have been recognized as financial liabilities and will be remeasured at each closing date, with changes being recognized in total net financial income (expense).

Principal or agent

The Group has conducted an analysis of the nature of its relationships with its customers in order to determine whether it is acting as a principal or as an agent in the performance of the contract or part of the contract when the Group sells equipment, software or services.

Under IFRS 15, the Group is considered as acting as principal since it bears the primary responsibility with respect to the end customer and the inventory risk with respect to suppliers.

II.1.19 Operating segments (IFRS 8)

The Vusion (SES-imagotag) Group has only one operating segment corresponding to a homogeneous activity of installing and maintaining electronic shelf labels (ESLs).

Operating results are reviewed at Group level. The objective is to make decisions about the allocation of resources and the evaluation of performance. Isolated information at the lower level is not available, given the overall management of the activities, technologies, and geographical areas.

II.2 Highlights of the year

None.

II.3 Post-closing events

None.

II.4 Notes to the financial statements

Notes to the statement of financial position.

Note 1 – Intangible assets

Gross Fixed Assets in € '000	Opening	Increase	Transfer between line items	Decrease	Closing
Goodwill	122,849		–	–	122,849
Development	155,075	715	15,753	–	171,543
Patents and similar rights	97,800	121	7,305	(70)	105,156
Intangible assets in progress	26,553	32,493	(23,059)	5	35,992
TOTAL	**402,277**	**33,329**	**–**	**(65)**	**435,541**

At December 31, 2024, the amount of goodwill breaks down as follows:

- SES-ESL merger: €12.6 million;
- acquisition of SES-Imagotag GmbH: €13.4 million;
- acquisition of Pervasive Displays Inc. (PDi): €18.3 million;
- acquisition of Findbox (now Captana GmbH): €6.7 million;
- acquisition of Market Hub: €0.3 million;
- acquisition of In The Memory: €63.2 million;
- acquisition of Belive: €8.3 million.

Research and development expenses represent the cost of research and innovation expenses incurred by the Group and which have enabled it to improve and diversify its product offering.

Transfers between line items during the year mainly correspond to:

- the capitalization of other development costs, totaling €15,753 thousand, incurred mainly as part of the ongoing development of the Cloud software and new listings in the Vusion range, and the Captana program;
- the capitalization of part of the development projects for the Group's information systems and IT infrastructure for an amount of €7,305 thousand.

Intangible assets in progress correspond to expenses incurred in the context for projects to develop marketable solutions for an amount of €23,842 thousand and the development of the Group’s IT infrastructure for an amount of €8,651 thousand.

Amortization in € '000	Opening	Allowance	Transfer between line items	Reversal	Closing
Development	67,527	26,005			93,532
Patents and similar rights	38,558	11,511		(32)	50,037
TOTAL	**106,085**	**37,516**	**–**	**(32)**	**143,569**

Note 2 – Property, plant and equipment

Gross Fixed Assets in € '000	Opening	Increase	Transfer between line items	Decrease	Closing
Building and fixtures	4,429	1,834	529	–	6,792
Machinery, equipment, and tools	27,048	63,375	17,756	(303)	107,876
Other property, plant and equipment and assets in progress	45,217	59,976	(18,285)	(160)	86,748
TOTAL	**76,694**	**125,185**	**–**	**(463)**	**201,416**

The increase in property, plant and equipment during the year is mainly due to:

- improvement works for an amount of €1,834 thousand, mainly to premises in France, the United States and Taiwan;
- the equipment of industrial production lines for an amount of €118,499 thousand, of which €55,809 thousand were in progress at December 31, 2024. This amount includes acquisitions made for the new EdgeSense range fully pre-financed by customers;
- other property, plant and equipment including mainly the delivery of label systems to customers under rental contracts for an amount of €2,483 thousand and expenditure on IT and office equipment for €2,325 thousand;

Amortization in € '000	Opening	Allowance	Transfers between line items	Reversal	Closing
Building and fixtures	2,550	596	0	(42)	3,104
Machinery, equipment, and tools	20,120	11,639	0	(303)	31,456
PPE - Other	17,857	4,856	0	(126)	22,587
TOTAL	**40,527**	**17,091**	**0**	**(471)**	**57,146**

Rights of use

Gross Fixed Assets in € '000	Opening	Increase	Decrease	Closing
Buildings and improvements	15,051	2,605	(337)	17,319
Production line and industrial equipment	14,727	0	0	14,727
Vehicles and other property, plant and equipment	1,876	56	(170)	1,762
TOTAL	**31,654**	**2,661**	**(507)**	**33,809**

The increase in rights of use during the year is mainly due to:

- the new lease with In The Memory and Belive and the renewal of leases at various subsidiaries;
- the renewal of the car fleet, particularly in France and Germany.

The decrease in rights of use is mainly due to:

- the end of the leases of the subsidiaries
- the end of vehicle leases

Amortization in € '000	Opening	Increase	Decrease	Closing
Buildings and improvements	6,477	2,609	(278)	8,808
Production line and industrial equipment	14,727	0	0	14,727
Vehicles and other property, plant and equipment	981	516	(170)	1,327
TOTAL	**22,185**	**3,125**	**(448)**	**24,862**

Note 3 – Financial assets

Financial Assets in € '000	Opening	Increase	Decrease	Closing
Non-consolidated investments (1)	18,668			18,668
Deposits and sureties	955	247	(113)	1,089
Other loans	652	80	0	732
Miscellaneous	104			104
TOTAL	**20,379**	**327**	**(113)**	**20,594**

(1) The amount of non-consolidated equity investments corresponds to the value of the shares received in exchange for the Group's stake in the BOE Technology JV sold to Yi-Yun during the second half of 2022. Since that date, the percentage of ownership has remained below 10%.

Note 4 – Inventories

Inventories in € '000	12/31/2024	12/31/2023
Inventory of raw material	8,240	16,916
Inventory of finished products	139,314	105,493
Inventory of goods purchased for resale	16,156	14,007
Impairment of inventory	(16,284)	(11,422)
TOTAL	**147,426**	**124,994**

At December 31, 2024, the inventory turnover rate, expressed in number of days of turnover, improved significantly compared to the previous fiscal year, i.e., 21 days compared to 51 days at December 31, 2023.

Note 5 – Trade receivables

Trade receivables in € '000	12/31/2024	12/31/2023
Gross trade receivables	330,267	132,573
Provision for impairment	(973)	(887)
TOTAL	**329,294**	**131,686**

The increase in trade receivables is correlated with the increase in revenue. The value of trade receivables expressed in days of revenue increased at December 31, 2024, compared to the previous year, mainly due to significant invoices due at the end of December. At December 31, 2024, trade receivables represented the equivalent of the last 59 days of revenue of the year.

The provision for impairment of trade receivables breaks down as follows:

Breakdown of the provision for impairment of trade receivables in € '000	Gross value	Impairment
Receivables overdue less than 90 days	9,208	47
Receivables overdue between 91 days and 360 days	65,549	258
Receivables overdue more than 361 days	3,710	668
Receivables not yet due	251,800	0
TOTAL	**330,267**	**973**

Note 6 – Other current receivables and current taxes

Current tax receivables amounted to €8,708 thousand at December 31, 2024. They correspond to the payment of interim income tax on companies.

Other current receivables break down as follows:

Other current receivables in € '000	12/31/2024	12/31/2023
Tax receivables	9,477	23,651
Social receivables	52	59
Suppliers – advance and prepayments	9	23,399
Suppliers – credit note	1,678	4,383
Other current receivables	141,078	162,570
Prepaid expenses	7,189	4,549
TOTAL	**159,483**	**218,610**

Tax receivables correspond, on the one hand, to VAT receivables on purchases for €5,795 thousand and, on the other hand, to research tax credit receivables recorded mainly in Austria.

The amount in Other current receivables of €141,078 thousand corresponds to the discount paid in advance in respect of Walmart share subscription warrants for an amount of €138,987 thousand recognized in Contract assets and which will be reported as a reduction of revenue as and when deliveries are made as described in paragraph II.2 Highlights of the year in section 6.1.2 of the 2023 Universal Registration Document.

Most of the credit note receivables are from our main suppliers of finished products and components and amount to €1,674 thousand, compared to €3,918 thousand at December 31, 2023.

Prepaid expenses relate to the company's current operating expenses invoiced but relating to the following fiscal year.

Note 7 – Cash and cash equivalents

Cash in € '000	12/31/2024	12/31/2023
Short-term investments	15	15
Cash and cash equivalents	535,619	199,901
TOTAL	**535,634**	**199,916**

The improvement in the cash position is due to the increase in cash flow generated by operations and deposits received from customers.

Note 8 – Capital

Number of shares variation	Number	Nominal value in €	Share capital in €
Shares at the beginning of the period	15,958,658	2	31,917,316
Securities issued	113,050	2	226,100
Number of shares at the end of the period	**16,071,708**	**2**	**32,143,416**

The securities issued over the period correspond to the delivery of the shares of Tranche 3 of the performance shares plan.

At December 31, 2024, the Company held a total of 6,252 treasury shares. Treasury shares are restated as a deduction from equity in accordance with IAS 32.

Note 9 – Other Equity Instruments

Stock options and Performance shares

Allocation of stock options (see note 7.1.3)

The Company intends to make value sharing the primary driver of the Company's performance: involving employees in the Company's capital promotes a sense of belonging and long-term commitment. For several years now, the Company has been developing a dynamic policy of involving its employees in its financial performance.
In this respect, the Group implements free performance share plans (in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code). The mechanism consists of establishing a long-term allocation program (four years), in annual tranches, which focuses the teams on intermediate performance milestones, measured each year, in order to achieve, step-by-step, the Group's long-term performance milestones, in line with the strategic plan communicated to the market.

Thus, the "Vusion 27" free share program was launched at the end of 2023 and runs until 2027. It succeeds the "Vusion" program, which covered the 2020-2023 period. The "Vusion 27" free share program refers to the strategic plan formalized by the Group in the "Vusion 27" plan presented to the market in November 2022 (see Section 1 of this document).

The Board of Directors therefore decided to grant free performance shares to certain eligible beneficiaries, subject to the authorization of the Extraordinary General Meeting of June 29, 2020 (24th resolution) and of June 23, 2023 (17th resolution), with delivery of the shares subject to compliance with demanding performance conditions and a condition of continued presence until the delivery date of the free shares.

The grant conditions are decided by the Board of Directors at the time of the grant, and are described in each corresponding plan. For each of these plans, the vesting period is two years between the grant and the delivery of the shares.

The performance conditions are assessed each year (see tables in Section 7.1.3). By way of illustration, the plan awarded in July 2024 will be delivered in July 2026 depending on the performance of the Group assessed in 2025 for the 2024 financial year.

The shares are not subject to any holding period from the date of delivery (with the exception of the obligation for the Chairman and Chief Executive Officer to retain a portion of their shares until the termination of their duties).

As of December 31, 2024, 303,384 free shares allocated under these plans remain to be delivered subject to compliance with their performance and presence conditions.

Note 10 – Non-current provisions

Non-current provisions in € '000	Opening	Allowance	Release of allowance	Closing
Warranty provisions	1,042	2,450	(1,049)	2,443
Provisions for leased assets refurbishment	870			870
Provisions for retirement benefits	871	126		997
Other provisions for risks	9,609	4,325	(2,217)	11,717
TOTAL	**12,392**	**6,901**	**(3,266)**	**16,026**

Provisions for the repair of leased assets relate to leases under IFRS 16. The balancing entry is recognized in property, plant and equipment, as an increase in the right of use.

The other provisions for risks mainly concern quality problems identified during the previous fiscal year and related to the launches of new products marketed in recent years. The finalization of the terms of resolution of these disputes led the Group to set aside an additional provision of €3,800 thousand for the 2024 fiscal year. This dispute will be effectively resolved in the following fiscal year.

Note 11 – Loans and lease liabilities

Loans are recognized at the amortized cost using the effective interest rate method.

		With cash impact		No cash impact			
Loans and lease liabilities in € '000	Opening	Increase	Decrease	Change in scope	Translation differences	Other	Closing
Bond issues	49,852	92					49,944
Loans from credit institutions	122,803		(29,881)				92,922
Current and non-current lease liabilities	10,450		(572)				9,878
TOTAL	**183,104**	**93**	**(30,453)**	**0**	**0**	**0**	**152,744**

The cash decrease mainly relates to the €8,925 thousand repayment of the SGL and to the repayment of the revolving credit line for an amount of €20,000 thousand.

At December 31, 2024, the Group complied with the consolidated leverage ratio (covenant) which refers to the ratio between net financial debt and EBITDA of less than 3.5 for Euro PP amounting to €10 million maturing in July 2025, and less than 2.5 for the €150 million bank loan and the €40 million Euro PP tranche raised in December 2023. The impact of the recognition of the lease liability following the application of IFRS 16 is excluded from the definition of financial debt for the purpose of calculating covenants.

Loans and lease liabilities in € '000	**12/31/2024**	Less than 1 year	1-5 years	More than 5 years
Loans	142,866	33,554	69,313	40,000
Current and non-current lease liabilities	9,878	3,374	6,503	
TOTAL	**152,744**	**36,928**	**75,816**	**40,000**

Note 12 – Other non-current liabilities

Other non-current liabilities in € '000	**12/31/2024**	12/31/2023
Other payables - earn-out	8,407	8,412
Research tax credit	4,087	4,014
TOTAL	**12,494**	**12,426**

The amount of other payables relating to earn-outs corresponds mainly to the estimated amount of the earn-out as part of the acquisition of In The Memory, i.e., €7.9 million.

Note 13 – Trade payables

Trade payables in € '000	**12/31/2024**	12/31/2023
Trade payables	151,292	101,927
Suppliers – accrued expenses	68,392	46,539
TOTAL	**219,684**	**148,466**

The increase in trade payables is in correlation with the increase in business. The amount of invoices not received mainly corresponds to finished goods purchased in December, shipped by sea and still in transit at December 31, 2024.

At December 31, 2024, trade payables correspond to purchases during the last 38 days of the year.

Note 14 – Other debts and accrual accounts

Other debts and accrual accounts in € '000	12/31/2024	12/31/2023
Customers – prepayments	780,019	245,356
Customers – accrued income	3,688	1,244
Social security and tax liabilities	29,472	28,471
Fair value of share subscription warrants	136,687	114,828
Fair value of financial instruments	31	–
Deferred income and other liabilities	55,507	11,634
TOTAL	**1,005,404**	**401,533**

Advances and deposits received from customers increased and correspond to the continuing policy of developing the Group by negotiating satisfactory contractual terms to manage large contracts without financing risk.

The fair value of the subscription warrants corresponds to the reassessment made at each closing of the fair value of the shares subscription warrants granted to Walmart as described in paragraph II.2 Highlights of the year in section 6.1.2. of the 2023 Universal Registration Document. No share subscription warrants granted to Walmart have been exercised to date.

Deferred revenue corresponds to sales made in December but for which the contractual obligations had not been fully met by December 31, 2024. The revenue from these sales will be recognized in the next fiscal year.

Notes to the income statement

Note 15 – Revenue

Revenue for the fiscal year breaks down as follows:

Revenue by geographical area in € million	31/12/2024		31/12/2023	
France	106.7	11%	70.6	7%
EMEA (excluding France)	385.7	40%	571.8	60%
Asia and the Americas	462.3	48%	159.6	17%
TOTAL	**954.7**		**802.0**	

Sales in France correspond to ESL sales generated with French retailers for their shops in France and abroad, as well as the corresponding VAS activities also generated by In The Memory and Belive

Revenue by sector in € million	31/12/2024		31/12/2023	
Electronic labels	849.0	89%	693.0	73%
Services, software and other value-added solutions	105.7	11%	109.0	11%
TOTAL	**954.7**		**802.0**	

The Group's annual revenue for 2024 reached €954.7 million. This value includes the effect of two IFRS 15 restatements with no effect on cash, related to the Walmart contract and relating to (i) the granting of equity warrants with conditions, and (ii) scheduled reductions in selling prices indexed on volumes. These two restatements negatively impacted IFRS revenue by -€55.8 million in 2024 and -€3.7 million in 2023. They only relate to Asia and the Americas. In order to provide a broader economic view, the Group also presents adjusted revenue data for these two restatements. Adjusted revenue in 2024 amounted to €1,010.5 million, up 25% compared to adjusted revenue in 2023.

In EMEA, the top line decreased almost 23% versus the previous year to €492 million and accounted for close to 49% of the Group's total annual sales. This planned and announced change is due to the end of the deployment phase of a major European customer.

Revenue in the Americas and Asia-Pacific region (Rest of the world) amounted to €462 million and €518 million in adjusted data, showing strong growth of, respectively +189% and +218% compared to 2023. For the first time in the Group's history, the region has become the largest in terms of revenue generation, accounting for approximately 51% of total adjusted revenue for the full year 2024. This remarkable dynamic is driven, in particular, by the acceleration of the pace of deployment of our solutions in the United States

In 2024, two countries (Austria and the USA) represented more than 10% of revenue for a total of €675 million, i.e. 71% of total revenue. In addition, two customers accounted for more than 10% of revenue for a total of €505 million, i.e. 53% of total revenue.

The order book corresponding to firm performance obligations, applying IFRS15 conditions, is €995 million. As such, only ESL orders have been included in the order book. This book should be recognized as revenue within the next 18 months according to current forecasts.

Note 16 – Purchases consumed

The amount of purchases consumed is composed of the following:

- consumption of purchases of raw materials, goods purchased for resale and finished product inventories;
- allowances and reversals of provisions on these purchases;
- transportation and incidental expenses relating to these purchases.

Note 17 – External expenses

Other external expenses in € '000	**12/31/2024**	12/31/2023
Variable external expenses	(24,903)	(20,791)
External staff costs and recruitment fees	(7,989)	(7,234)
Travel Expenses and Travel	(8,830)	(7,361)
Marketing	(8,996)	(7,304)
Fees	(19,123)	(10,832)
IT and telecom expenses	(9,762)	(6,315)
Other external expenses	(706)	(2,542)
TOTAL	**(80,310)**	**(62,379)**

Note 18 – Payroll costs

Payroll costs in € '000	**12/31/2024**	12/31/2023
Payroll expenses	(76,511)	(55,134)
Performance shares (IFRS 2)	(18,908)	(12,446)
Retirement benefits	(90)	(16)
TOTAL	**(95,509)**	**(67,596)**

The IFRS 2 expense recognized in 2023 relates to the performance shares plans issued by VusionGroup SA to the Group's employees in 2021, 2022 and 2023 as well as the RSU plan issued in 2020 by the US subsidiary and exercisable in 2024 in respect of the 2020-2023 performance.

The IFRS 2 expense recognized in 2024 relates to the performance shares plans issued by VusionGroup SA to the Group's employees in 2022, 2023 and 2024 as well as the RSU plan issued by the US subsidiary and exercisable in 2024. The increase in expenses between 2023 and 2024 was due to the greater number of performance shares distributed at a higher price in 2024 compared to the allocations in 2021.

Note 19 – Other operating expenses

Other operating expenses amounted to €3,195 thousand and mainly correspond to provisions for guarantee for an amount of €2,450 thousand.

Note 20 – Other operating income

Other operating income amounted to €496 thousand and was mainly due to the reversal of provisions for risks for an amount of €231 thousand and the reversal of provisions for the impairment of trade receivables in the amount of €147 thousand.

1 2 3 4 5 6 7 8 9

Note 21 – Other financial incomes and expenses

Net financial income/(expense) in € '000	12/31/2024	12/31/2023
Financial instruments	0	3,551
Foreign exchange gains	14,754	30,019
Other financial income	4,672	49,965
Other financial income	**19,426**	**83,535**
Bank interest expenses	(11,492)	(12,425)
Leasing related interest expenses	(541)	(366)
Foreign exchange losses	(34,342)	(26,269)
Other financial expenses	(23,053)	(1,491)
Other financial expenses	**(69,429)**	**(40,551)**
TOTAL	**(50,004)**	**42,983**

Note 22 – Income tax and deferred taxes

In € '000	12/31/2024	12/31/2023
Income tax expense	**(2,187)**	**(14,887)**

Income tax and deferred tax in € '000	12/31/2024	12/31/2023
Tax loss carryforwards	8,992	9,406
Temporary differences	13,926	5,124
Total deferred tax assets	**22,918**	**14,530**
Amortization of technologies	7,099	8,117
Capitalization of R&D expenses	7,528	6,386
Temporary differences	2,765	2,575
Total deferred tax liabilities	**17,392**	**17,078**

Proof of tax	in € '000
Applicable tax rate in France	**25.00%**
Net result	(28,895)
Theoretical tax	6,677
Tax reported	**(2,187)**
Difference	(8,864)
Impacts:	
Permanent differences	(9,412)
Other - tax rate differences	548
TOTAL	**(8,864)**

Deferred tax assets relating to tax loss carryforwards concern the French and German entities.

The amount of permanent differences mainly concerns a portion of IFRS non-cash restatements on the Walmart US contract that will not give rise to a tax liability or receivable in subsequent years.

Deferred tax liabilities relating to identified technologies following the goodwill allocation break down as follows:

- Pervasive Displays Inc: €557 thousand;
- Captana GmbH: €277 thousand;
- SES-imagotag Gmbh: €339 thousand;
- In The Memory: €5,926 thousand

Note 23 – Total net profit (loss) – Earnings per share

Net profit for the year amounted to -€28,895 thousand.

Effect of potential dilution on the capital

Earnings per share	12/31/2024	12/31/2023
Profit (Loss) - Group share in € '000	(27,758)	79,767
Weighted average number of shares	16,006,225	15,897,494
Performance shares[1]	303 384	238,748
Share subscription warrants	1,761,200	1,761,200
Earnings per share		
• before dilution	(1.73)	5.02
• after dilution	(1.54)	4.46

(1) Concerns shares granted but not delivered at the reporting date. As of December 31, 2024, this corresponded to 125,848 shares under the 2023 plan and 177,536 shares under the 2024 plan.

II.5 Other information

Note 24 – Workforce

The number of employees at December 31, 2024 is as follows:

Geographical area	12/31/2024	12/31/2023
France	419	397
International	530	450
TOTAL	**949**	**847**

Note 25 – Off-balance sheet commitments

Commitments given:

- comfort letter in favor of VusionGroup GmbH, a wholly-owned subsidiary of the company;
- rent payment guarantee for an amount of €376 thousand (CIC);
- Bank guarantee on a foreign transaction for an amount of €65 thousand;
- at December 31, 2024, the Group complied with the consolidated leverage ratio (covenant) which refers to the ratio between net financial debt and EBITDA of less than 3.5 for Euro PP amounting to €10 million maturing in July 2025, and less than 2.5 for the €150 million bank loan and the €40 million Euro PP tranche raised in December 2023.

Note 26 – Degree of exposure to market risks

In financial terms, the Company is mainly exposed to changes in interest rates on its variable-rate loans. During the first half of 2024, interest rate hedging instruments were subscribed.

Degree of exposure to market risk in $ ’000	At 12/31/2024
	–
Hedging portfolio at end-December 2023	65,000
Settled in 2024	–
Hedging portfolio at end-December 2024	**65,000**

Note 27 – Research and development expenditure

Over the fiscal year, €23,842 thousand of research and development expenses were capitalized in the statement of financial position under fixed assets in progress.

Note 28 – Corporate officer remuneration and retirement plan

The gross remuneration paid to the Chairman and Chief Executive Officer for the period amounted to €617 thousand in respect of his 2024 fixed remuneration and 2023 bonus.

A contract under the Company Guarantee for Company Executives (GSC) was signed in 2012 for the benefit of the Chairman and Chief Executive Officer. The annual contribution for the year 2024 amounted to €22 thousand.

This contract includes the basic plan as well as a supplementary plan providing for compensation coverage over a 12-month period (former plan).

The remuneration of the Chairman and Chief Executive Officer is detailed as follows and includes benefits in kind amounting to €29,432 in 2023 and €30,574 in 2024.

In €	**31/12/2024**	31/12/2023
Short-term benefits	617,215	636,886
Post-employment benefits		
Other long-term benefits		
End of contract indemnities		
Valuation of free shares	736,117	659,483

Note 29 – Transactions with related parties

The related parties identified by the Group are:

- Group shareholders owning more than 10% of the share capital;
- members of the Board of Directors.

During 2024, the Vusion (SES-imagotag) Group carried out the following transactions with its shareholder BOE Smart Retail (Hong Kong) Co. Ltd or companies related to this company:

- $381.1 million in purchases from Chongqing BOE Smart Electronic System Co. Ltd relating to an industrial supply and sub-contracting agreement (“Master Service Agreement”);
- $4.1 million in sales of components with Chongqing BOE Smart Electronic System Co. Ltd. This amount corresponds to the Group’s purchases of screens that were then sold to Chongqing BOE Smart Electronic System Co. Ltd to produce labels. At the end of the first half of 2024, Chongqing BOE Smart Electronic System Co. Ltd obtained its supplies directly from the supplier. These flows of products purchased from third parties and resold to the Group’s suppliers for use in the production of labels then sold to the Group are restated to neutralize the impact in the consolidated financial statements; they do not impact the Group’s consolidated revenue or its margin.
- $37.6 million in purchases with BOE Digital Technology Co., Ltd. relating to a component supply and industrial subcontracting contract.

Note 30 – Statutory Auditors' fees

The expense recognized in respect of the Statutory Auditors' fees amounts to €1,553 thousand for the certification of the individual and consolidated accounts and €512 thousand for services other than the certification of the accounts and is detailed as follows:

	Deloitte	KPMG	Total
Statutory Auditors' fees in € '000	Amount	Amount	Amount
Fees related to the certification of the individual and consolidated financial statements			
• Issuer	749	661	1,410
• Subsidiaries	117	27	144
Services other than certification of financial statements			
• Issuer	208	300	507
• Subsidiaries		4	4
TOTAL	**1,074**	**992**	**2,065**

For KPMG, services other than certification of the financial statements concern services for the verification of the Group's statement of non-financial performance (SNFP) as an independent third-party body (ITO), certification of compliance with SBTi objectives, certification relating to revenue as well as tax compliance and assistance with the review of transfer pricing reports for the Pervasive Displays Inc. subsidiary. For Deloitte, services other than the certification of financial statements concern certification services relating to revenue.

Note 31 – Credit, liquidity, and cash flow risks

The company does not hold risky investments.

II.6 Scope of consolidation

Company name	Registered Office	Consolidation method [1]	**% controlled 12/31/2024**	**% of interest 12/31/2024**	% of interest 12/31/2023
VusionGroup S.A.	Nanterre (France)	(Parent)	(Parent)	(Parent)	(Parent)
SES-imagotag Pte Ltd	Singapore	FC	100	100	100
SES-imagotag Mexico srl. de cv	Mexico	FC	99	99	99
VusionGroup Srl.	Italy	FC	100	100	100
VusionGroup GmbH	Austria	FC	100	100	100
Solutions Digitales SES-imagotag Ltée	Canada	FC	100	100	100
VusionGroup Ltd	Ireland	FC	100	100	100
VusionGroup INC.	United States	FC	100	100	100
VusionGroup BV	Netherlands	FC	100	100	100
VusionGroup Aps.	Denmark	FC	100	100	100
VusionGroup S.L	Spain	FC	100	100	100
Captana GmbH	Germany	FC	100	100	100
Pervasive Displays Inc	Taiwan	FC	100	100	100
PDi Digital GmbH	Austria	FC	90	90	70
VusionGroup Pty Ltd	Australia	FC	100	100	100
VusionGroup K.K.	Japan	FC	100	100	100
VusionGroup RDC d.o.o.	Croatia	FC	100	100	100
VusionGroup Limited [2]	Hong Kong	IC	100	100	NA
In The Memory SAS	France	FC	100	100	100
Belive SAS	France	FC	71.67	71.67	67.09

(1) FC: Fully consolidated
(2) The Company was created in 2024 and entered the scope of consolidation in the second half of 2024.

6.2 Separate financial statements for the year ended December 31, 2024

6.2.1 Annual financial statements

Assets

In € '000	Year ended 12/31/2024 (12 months) Gross	Amort./Depr. & Prov	Net	Year ended 12/31/2023 (12 months) Net
Research and development costs	117,643	59,187	58,456	70,850
Patents and similar rights	65,882	39,854	26,028	26,036
Goodwill	12,639		12,639	12,639
Right of use	14,727	14,727	0	0
Intangible assets in progress	19,321		19,321	14,703
Building and fixtures	4,345	2,751	1,594	1,574
Plant, machinery, and equipment	93,083	17,444	75,638	5,891
PPE - Other	17,077	14,746	2,331	4,164
PPE in progress	55,808		55,808	18,468
Participating interests	196,598		196,598	173,070
Receivables due from equity interests	15,273		15,273	12,318
Loans	731		731	652
Other long-term investments and loans	202		202	256
FIXED ASSETS	**613,328**	**148,708**	**464,620**	**340,621**
Raw materials, supplies	5,879	2,746	3,133	13,341
Intermediate and finished products	102,269	5,835	96,434	74,997
Goods purchased for resale	9,801	1,388	8,413	7,964
Advance payments to suppliers	0		0	0
Trade receivables	428,023	167	427,856	245,268
Other receivables	32,697		32,697	562,106
Short-term investments	907		907	5,229
Cash and cash equivalents	101,752		101,752	66,342
Prepaid expenses	5,994		5,994	3,367
CURRENT ASSETS	**687,322**	**10,136**	**677,186**	**978,614**
Unrealized foreign exchange losses	51,731		51,731	1,986
TOTAL ASSETS	**1,352,381**	**158,844**	**1,193,537**	**1,321,220**

Equity and liabilities

In € '000	**Year ended 12/31/2024 (12 months)**	Year ended 12/31/2023 (12 months)
Capital (of which, paid up: 32,143)	32,143	31,917
Issue, merger, and acquisition premiums, etc.	127,873	128,099
Statutory reserve	3,192	2,604
Retained earnings	31,400	(6,904)
Net income for the year	18,370	43,663
SHAREHOLDERS' EQUITY	**212,978**	**199,379**
Provisions for contingencies	61,999	8,684
Provisions for charges	0	0
PROVISIONS FOR CONTINGENCIES AND CHARGES	**61,999**	**8,684**
Bond issues	50,000	50,000
Loans and debts from credit establishments	90,000	118,889
Other financial debt	499,037	714,885
Customer down payments	1,985	5,078
Trade payables	237,912	185,191
Taxes and social security contributions payable	11,637	15,508
Other debts	15,419	5,320
Deferred income	9,278	4,474
LOANS AND DEBTS	**915,267**	**1,099,345**
Unrealized foreign exchange gains	3,292	13,812
TOTAL EQUITY & LIABILITIES	**1,193,537**	**1,321,220**

Income statement

In € '000	**Year ended 12/31/2024 (12 months)**	Year ended 12/31/2023 (12 months)
Revenue	946,034	720,234
Inventory of finished goods and work in progress	(21,430)	25,128
Own work capitalized	4,026	3,463
Write-backs of amortization and depreciation, and provisions expenses reallocated	8,411	4,843
Other income	20,461	13,699
Foreign exchange gains on commercial receivables and payables	9,262	10,338
Total operating income	**966,764**	**777,704**
Purchases of raw materials and other supplies	(692,860)	(574,847)
Inventory changes (raw materials and other supplies)	(7,265)	(15,913)
Other purchases and external expenses	(76,337)	(59,536)
Taxes and similar charges	(2,381)	(2,408)
Wages and salaries	(19,389)	(16,999)
Social charges	(10,835)	(8,692)
Allowances for amortization/depreciation of fixed assets	(38,960)	(20,150)
Allowances for provisions on current assets	(10,051)	(4,069)
Allowances for provisions for contingencies and charges	(3,800)	(6,468)
Other charges	(7,453)	(10,296)
Foreign exchange losses on commercial receivables and payables	(12,075)	(6,136)
Total operating expenses	**(881,407)**	**(725,515)**
OPERATING PROFIT (LOSS)	**85,358**	**52,188**
Other interest and related income	2,290	20,544
Amounts released from provisions and expenses reallocated	1,986	13,719
Positive exchange differences	3,330	6,582
Net income from disposals of short-term investments	3,510	463
Total financial income	**11,115**	**41,308**
Financial allowances for amortization/depreciation and provisions	(51,731)	(1,986)
Interest and similar expenses	(25,128)	(35,020)
Negative exchange differences	(104)	(4,383)
Net expenses on disposals of short-term investments	(207)	(348)
Total financial expenses	**(77,169)**	**(41,736)**
FINANCIAL PROFIT (LOSS)	**(66,054)**	**(428)**
TOTAL CURRENT PROFIT (LOSS) BEFORE TAX	**19,304**	**51,760**
Extraordinary operating income		
Extraordinary income on capital operations		
Amounts released from provisions and expenses reallocated		
Total extraordinary income	**0**	**0**
Extraordinary operating expenses	(3)	
Extraordinary expenses on capital operations		
Extraordinary allowances for amortization/depreciation and provisions		
Total extraordinary expenses	**(3)**	**0**
EXTRAORDINARY PROFIT (LOSS)	**(3)**	**0**
Income tax	(931)	(8,098)
NET INCOME	**18,370**	**43,663**

Statement of changes in shareholders' equity

In € '000	Capital	Issue, merger, and acquisition premiums	Statutory reserve	Retained earnings and profit (loss)	Total
Equity at 12/31/2022	**31,702**	**128,297**	**2,604**	**(6,905)**	**155,698**
Total net profit (loss) for the 2023 fiscal year				43,663	43,663
Capital Increase	216	(216)			0
Share subscription warrant premium		18			18
Equity at 12/31/2023	**31,917**	**128,099**	**2,604**	**36,758**	**199,379**
Total net profit (loss) for the 2024 fiscal year				18,370	18,370
Allocation of the Profit (Loss) - Group share for the 2023 fiscal year			588	(5,359)	(4,771)
Capital Increase	226	(226)			0
Equity at 12/31/2024	**32,143**	**127,873**	**3,192**	**49,769**	**212,978**

1
2
3
4
5
6
7
8
9

6.2.2 Appendices

I. Introduction

The annual financial statements at December 31, 2024, cover a period of 12 months.

The following information is an integral part of the annual financial statements for the period ended December 31, 2024, approved by the Board of Directors on April 23, 2025.

Only significant information is mentioned in these notes. Unless otherwise indicated, the presented data are in thousands of euros.

II. Accounting rules and methods

The annual financial statements for the period ended December 31, 2024, were prepared in accordance with the provisions of the French Commercial Code, the French General Chart of Accounts as described in ANC 2018-07 of December 10, 2018, amending ANC regulation no. 2014-03 of June 5, 2014, on the French General Chart of Accounts.

General accounting conventions were applied in keeping with the principle of prudence, in accordance with the following basic assumptions:

- continuity;
- consistency of accounting methods between periods;
- independence of accounting periods,

and in accordance with the general rules for preparation and presentation of annual financial statements.

The basic method used to value items booked to the accounts is the historical cost method.

The main methods used are the following:

1) Intangible fixed assets

Research and development costs are recognized as an expense in the period in which they are incurred, except for research and development costs for projects that meet the following criteria:

- the product or process is clearly identified and the costs can be reliably segregated;
- the technical feasibility of the product is demonstrable;
- the product or process will be commercialized or used internally;
- there is a potential market for the product where its internal usefulness is demonstrated;
- the resources required to complete the project are available.

These research and development costs amortized on a straight-line basis over a period of 5 to 10 years. Patents and trademarks amortized on a straight-line basis over a period of 10 to 15 years and software over a period of 2 to 5 years. ERP development costs amortized on a straight-line basis over a period of 6 to 10 years.

Specific development costs incurred in connection with the acquisition of new customer contracts are expensed in the year in which they are incurred except for those meeting the following criteria:

- these are incremental costs specific to the acquisition of certain new contracts;
- these costs are essential to meet the needs expressed by the customer.

At the end of each fiscal year, the costs incurred for contracts not obtained are recognized as expenses. Costs incurred for contracts under negotiation at December 31 are recognized as assets under construction. Costs incurred for contracts obtained are capitalized and amortized on a straight-line basis over a period of five years.

The merger between SES-imagotag and SES ESL on May 16, 2007, resulted in a technical loss. In accordance with ANC regulation no. 2015-06, this technical loss was allocated to the various assets contributed by the transferring company, insofar as the unrealized gains recorded per asset are significant.

In this case, the technical loss corresponds on the one hand to the patents contributed for €8,025 thousand, and on the other hand to the business goodwill for €12,639 thousand.

Impairment tests are carried out at each annual closing date if there is an indication of impairment. In this case, the net book value of the asset is compared with its current value at the same date.

In accordance with ANC regulation no. 2015-06 of November 23, 2015, goodwill is not amortized but is subject to an impairment test once a year. They are allocated to the asset groups at which their performance is monitored. The present value of the asset groups has been determined on the basis of value in use calculations. The present value is reviewed using the discounted cash flow method, based on future earnings prospects. As a result of these tests performed during the year, no impairment is to be recognized at December 31, 2024.

2) Property, plant and equipment

Property, plant and equipment is valued at its acquisition cost (purchase price and incidental expenses excluding fixed asset acquisition costs) or production cost.

As of January 1, 2005, the company accounts follow the new texts of the Accounting Regulation Committee on the definition and valuation of assets (CRC 2004-06) and the depreciation and amortization of assets (CRC 2002-10 and 2003-07).

Depreciation is calculated according to the useful life of the assets concerned, using the straight-line method. In the event that tax depreciation is different from economic depreciation, the difference is recorded as special depreciation.

Details of the useful lives used to calculate depreciation:

Type of asset	Duration
Fixtures, fittings and facilities	5 to 10 years
Industrial machinery	3 to 5 years
Industrial equipment	2 to 5 years
Transport equipment	4 to 5 years
Office equipment and IT	3 to 10 years
Office furniture	5 to 10 years
Leased ESL's	5 years

3) Financial assets

They are essentially made up of investments and receivables related to these investments.

The shares are recorded in the balance sheet at acquisition costs. If necessary, a depreciation is made to adjust this cost to the net book value.

At each annual reporting date, management determines the inventory value of the equity investments equal to the value in use corresponding to what the company would accept to pay to obtain this investment if it had to acquire it.

The value in use is based on the cash flow and operating forecasts of the businesses of the entities concerned prepared by their operational management as part of their budgeting process and on the business plans drawn up in connection with the acquisition of equity interests. The receivables associated with these investments are valued on the basis of their recoverable amount.

4) Inventories and work in progress

The valuation of inventory components is determined on the basis of their cost price, valued at the weighted average cost.

Work-in-progress corresponds to the manufacturing process for labels that had begun and not completed at the end of the period. They are valued at the cost price of the equipment.

The valuation of finished products consists of the following items:

- cost price of components valued at weighted average unit cost;
- cost of assembly performed by the subcontractor;
- additional costs consisting mainly of storage costs for components and transit costs for labels.

The net realized value is the estimated selling price in the normal course of business, decreased by estimated costs for completion and the estimated costs required to complete the sale.

When the net realizable value is lower than the value of the inventory, a provision for impairment is recognized according to the following method:

The depreciation of inventories is determined according to the category of the product and the related rotation rules as described below:

For each category, the rule consists of:

1) calculating the rotation of the products concerned. This gives the number of days since an article within a given category was last consumed;
2) only products that have not been rotated for more than six months may be subject to a provision for impairment.

A. New products not refurbished:

- 50% of the gross value for assets that have not been rotated for more than six months;
- 80% of the gross value for assets that have not been rotated for more than 12 months;
- 100% of the gross value for assets that have not been rotated for more than 18 months;
- 100% of the gross value for assets that have never been rotated;
- Among these, the following items are excluded from the calculation of the provision, namely:
- Products for which there is a firm order for the coming 12 months or a minimum 90% chance of a business opportunity that would cover at least 50% of the inventory quantities;
- Products subject to refurbishing or reworking in order to sell the products in question;
- innovative products for future products ranges.

B. Refurbished or refurbishable goods

- depreciation of 50% of the gross value of these goods in the inventory exceeding 18 months past or future consumption if the product has yet been rotating over the last 12 months;
- depreciation of 100% of the gross value of these goods in the inventory exceeding 18 months past or future consumption if the product has not been rotating over the last 12 months;
- depreciation of 100% of the gross value of these goods that have never been rotated.

5) Trade receivables

Receivables are recorded at their nominal amount. A provision is made to account for the risk of irrecoverability at the end of the fiscal year.

Only receivables that are more than 90 days overdue and for which the customer has a reason for dispute are analyzed on a case-by-case basis, according to the following criteria:

- any reason related to a request for additional documentation is not subject to any provision;
- a 33% allowance is booked for when hardware can be returned;
- a 50% allowance is booked for when legal claim is initiated (50% being the historical success rate);
- a 100% allowance is booked for when no outcome is expected.

6) Provisions for contingencies and charges

In accordance with CRC Regulation 2000-06 on liabilities, a provision is recorded for any obligation of the Company to a third party able to be estimated with sufficient reliability and requiring a likely outflow of resources without consideration.

7) Translation of transactions denominated in foreign currencies

These transactions in foreign currencies are initially recorded in euros at the exchange rate in force as of the date of the transaction. As of the closing date, assets and liabilities denominated in foreign currencies are translated into euros at the exchange rate in force on that date. The difference resulting from the translation of payables and receivables in foreign currencies is recognized on the balance sheet in "translation adjustments." Unrealized losses are the subject of a provision.

8) Revenue recognition

Revenues are split between hardware revenues and services based revenues.

The revenue-generating event varies depending on the type of sale:

- when Vusion (SES-imagotag) is responsible for installing label systems, revenue is recognized when the system becomes operational. At the closing of the accounts, for installations invoiced but not yet completed, deferred income is recognized, and for installations completed but not yet invoiced, accrued income is recognized;
- when Vusion (SES-imagotag) only delivers the labels, revenue is recognized on the basis of the international commercial terms;
- training services are invoiced and recognized when the service is provided, independently of the delivery of the labels;
- freight costs are charged to customers together with the hardware delivery and thus, these types of revenues are recognized together with the hardware revenue (the principal);
- annual lump-sum rebates granted to customers are recorded as a reduction of sales;
- maintenance contracts are invoiced in advance for quarterly or six-month periods. Deferred income is recognized to cancel the revenue related to the following fiscal year on a *pro rata* basis;
- in certain cases, the Group may be required to perform research and development engineering services. The related revenue is recognized when the service is completed and the performance obligation is met.

9) End-of-career benefits

No provision is established for retirement benefits. Where appropriate, the Company pays all or part of the debt for these commitments to the insurance company.

The unpaid balance appears in off-balance sheet commitments.

10) Foreign exchange gains and losses

In accordance with regulation no. 2015-05 of July 2, 2015, applicable to periods beginning on or after January 1, 2017, foreign exchange gains and losses on trade receivables and payables, previously recognized in financial income, are recognized in operating income and expenses respectively. Foreign exchange gains and losses on financial transactions are recognized in financial income and expense respectively.

The allowance for the foreign exchange loss provision follows the same classification on the income statement.

III. Highlights of the year

None.

IV. Post-closing event

None.

V. Notes to the balance sheet

Note 1 – Fixed assets

Movements during the period are detailed in the tables below:

Intangible assets

Gross Fixed Assets in € '000	Opening	Increase	Transfers between line items	Decrease	Closing
R&D	112,671		4,972		117,643
Patents and similar rights	50,673	89	7,095		57,857
Technical loss assigned to patents	8,025				8,025
Goodwill	12,639				12,639
Right of use	14,727				14,727
Intangible assets in progress	14,703	16,690	(12,067,000)	(5,000)	19,321
TOTAL	**213,437**	**16,779**	**0**	**(5,000)**	**230,212**

The increase in intangible assets corresponds mainly to:

- the capitalization of development costs, totaling €7,863 thousand, incurred mainly as part of the ongoing development of the Cloud software, new Vusion listings, and the Captana program;
- €8,656 thousand in expenses incurred in particular for the development of integrated management software for the Group's subsidiaries and new logistics centers, the deployment of new cybersecurity tools, as well as the IT infrastructure.

Transfers between line items relate mainly to the capitalization of development and IT projects recognized in 2023 for €4,972 thousand and €6,978 thousand, respectively.

Amortization in € '000	Opening	Allowance	Transfers between line items	Decrease	Closing
R&D	41,820	17,366			59,187
Patents and similar rights	24,638	7,192			31,829
Technical loss assigned to patents	8,025	0			8,025
Right of use	14,727	0			14,727
TOTAL	**89,210**	**24,558**	**0**	**0**	**113,768**

Property, plant and equipment

Gross Fixed Assets in € '000	Opening	Increase	Transfer between line items	Decrease	Closing
Building and fixtures	3,916	404	26		4,346
Machinery, equipment, and tools	12,137	63,189	17,756		93,082
PPE - Other	16,115	961	0		17,076
PPE in progress	18,468	55,123	(17,782)		55,809
TOTAL	**50,636**	**119,677**	**0**	**0**	**170,313**

The increase in other PPE mainly corresponds to:

- the outfitting of industrial production lines for an amount of €118,312 thousand, of which €55,809 thousand was in progress at December 31, 2024. This amount includes acquisitions made for the new EdgeSense range fully pre-financed by customers;
- renewal of office and IT equipment for €961 thousand;
- improvement works to premises for an amount of €404 thousand.

Amortization in € '000	Opening	Allowance	Transfers between line items	Reversal	Closing
Building and fixtures	2,341	409			2,750
Machinery, equipment, and tools	6,246	11,199			17,445
PPE - Other	11,952	2,794			14,746
TOTAL	**20,539**	**14,402**	**0**	**0**	**34,941**

Financial assets

Financial Assets in € '000	Opening	Increase	Decrease	Closing
Participating interests	173,071	23,527		196,598
Receivables due from equity interests	12,319	4,085	(1,130)	15,274
Other long-term investments and loans	909	126	(102)	933
TOTAL	**186,299**	**27,738**	**(1,232)**	**212,804**

The change in the amount of participating interests corresponds to:

- The value of VusionGroup Inc. shares purchased by VusionGroup SA from Group employees as part of an equity-based performance plan (RSU);
- The acquisition of an additional stake in the joint venture in Austria for an amount of €1,356 thousand corresponding to 20% of its share capital. The shareholding rate in the joint venture is now 90%.

The amount of receivables relating to equity investments mainly corresponds to receivables relating to subsidiaries in Germany and Taiwan.

Note 2 – Inventories

Inventories in € '000	**12/31/2024**	12/31/2023
Inventory of raw material	5,879	13,761
Inventory of finished products	102,269	80,839
Inventory of goods purchased for resale	9,801	9,185
Impairment of inventory	(9,969)	(7,483)
TOTAL	**107,981**	**96,302**

Note 3 – Provisions for contingencies and charges

Type of provision in € '000	Opening	Allowance	Release of allowance	Not used	Closing
Provision for foreign exchange losses	1,986	51,731	(1,986)		51,731
Other provisions for risks	6,699	3,800	(231)		10,268
TOTAL	**8,684**	**55,531**	**(2,217)**	**0**	**61,999**

The other provisions for risks mainly concern quality problems identified during the previous fiscal year and related to the launches of new products marketed in recent years. The resolution of one of the disputes led the Group to set aside an additional provision of €3,800 thousand. The dispute will be settled during the following fiscal year.

Note 4 – Receivables and payables

Receivables

Receivables in € '000	12/31/2024	12/31/2023
Receivables due from equity interests	15,273	12,318
Loans and other long-term investments	933	909
Trade receivables	428,023	245,476
Social receivables	29	32
Tax receivables	11,969	1,898
Current accounts and accrued interest	19,013	532,580
Suppliers - credit notes and other receivables	1,687	27,595
Prepaid expenses	5,994	3,367
TOTAL	**482,919**	**824,175**

Statement of receivables in € '000	Total amount	1 year	1 year to 5 years	More than 5 years
Receivables due from equity interests	15,273	2,419	12,854	
Loans and other long-term investments	933		933	
Trade receivables	428,023	428,023		
Social receivables	29	29		
Tax receivables	11,969	11,969		
Current accounts and accrued interest	19,013	3,770	15,243	
Suppliers - Credit notes and other receivables	1,687	1,687		
Prepaid expenses	5,994	5,994		
TOTAL	**482,919**	**453,890**	**29,029**	**0**

- Receivables related to equity investments mainly consist of a €12,204 thousand advance granted by the Company to the subsidiary Captana as part of the financing of the Belive acquisition and €2,419 thousand in long-term advances granted by the Company to the subsidiary Pervasive Displays.
- Current accounts receivables and accrued interest amounted to €17,610 thousand and €1,403 thousand, respectively, at December 31, 2024, compared to €512,550 and €20,030 thousand the previous year. For 2023, these amounts included a receivable of €501,082 thousand against the Austrian subsidiary. This intragroup receivable, corresponding to the balance of cash flows generated under a centralized cash flow agreement in euros, was offset at December 31, 2024, with the current account debt relating to the cash flows generated in US dollars with respect to the same subsidiary. At December 31, 2024, the balance of this compensation represents a net debt in US dollars amounting to €157,029 thousand and was recognized in financial debt (table below).
- Credit notes and other receivables correspond mainly to credit notes obtained from the Company's main finished product assembly and component suppliers, recognized for an amount of €1,674 thousand,

Payables

Payables in € '000	**12/31/2024**	12/31/2023
Bond issues	50,000	50,000
Loans and debts from credit establishments	90,000	118,889
Other financial liabilities and accrued interest	499,037	714,885
Customer down payments	1,985	5,078
Suppliers and related accounts	237,912	185,191
Social & Tax liabilities		
• staff	4,439	3,787
• social security bodies	1,974	2,149
Revenue-based taxes	3,437	1,789
Other taxes, duties and similar	1,787	7,784
Credit note to be established and other debts	15,419	5,320
Deferred income	9,278	4,474
TOTAL	**915,267**	**1,099,345**

Statement of debts in € '000	**Total amount**	1 year	1 year to 5 years	More than 5 years
Bond issues	50,000	10,000		40,000
Loans and debts from credit establishments	90,000		90,000	
Other financial liabilities and accrued interest	499,037	22,728	476,309	
Customer down payments	1,985	1,985		
Suppliers and related accounts	237,912	237,912		
Social & Tax liabilities				
• staff	4,439	4,439		
• social security bodies	1,974	1,974		
Revenue-based taxes	3,437	3,437		
Other taxes, duties and similar	1,787	1,787		
Credit note to be established and other debts	15,419	15,419		
Deferred income	9,278	9,278		
TOTAL	**915,267**	**308,959**	**566,309**	**40,000**

The decrease in long term loans and debts from credit institutions corresponds to the repayment of the SGL for an amount of €8,889 thousand and the repayment of the revolving credit facility (RCF) for an amount of €20,000 thousand.

the amount of other financial liabilities corresponds to inter-company current account debts of €485,136 thousand and mainly with the Austrian subsidiary for €157,029 thousand and the US subsidiary for €319,280 thousand. These amounts are part of a centralized cash management agreement (see note 4 "Statement of receivables"). The amount of accrued interest on these debts amounted to €13,760 thousand compared to €25,520 thousand the previous year.

Note 5 – Accrued income

Accrued income in € '000	**12/31/2024**	12/31/2023
Customers – accrued income	204,918	134,092
Accrued interest on current accounts and other long-term investments and loans	1,403	20,030
TOTAL	**206,321**	**154,122**

The amount of invoices to be issued corresponds to the various invoices to be issued for the sales of goods, management services fees, and patent royalties within the Group for an amount of €204,242 thousand, compared to €133,390 thousand the previous year. This increase corresponds mainly to the increase in sales of goods in respect of Austrian and American subsidiaries, linked to the growth of their activity in 2024.

Accrued interest receivable corresponds to interest invoiced under the centralized intra-group cash management and current account advance agreements, mentioned in the note "Statement of receivables."

Note 6 – Accrued expenses

Accrued expenses in € '000	12/31/2024	12/31/2023
Credit institution	140	20
Suppliers – accrued expenses	86,474	71,284
Debts – provision for paid leave	1,758	1,445
Staff – other accrued expenses	2,661	2,326
Social security contributions on paid leave	787	643
Other accrued social security contributions	709	561
Central government – other accrued expenses	1,654	1,731
Credit notes	6,040	2,146
Accrued interest to be paid on current accounts	13,760	25,520
TOTAL	**113,983**	**105,676**

The amount of invoices not received mainly corresponds to finished goods purchased in December, shipped by sea and still in transit at December 31, 2024.

Accrued interest payable corresponds to interest invoiced under the centralized intra-group cash and current account agreements, mentioned in the note "Statement of payables."

Note 7 – Accrual accounts

Prepaid expenses amounted to €5,994 thousand and deferred income to €9,278 thousand and do not call for any particular comments.

Translation differences on assets amounted to €51,731 thousand and translation differences on liabilities amounted to €3,292 thousand. This increase is due to the revaluation of receivables and payables in US dollars and in particular for current account debts vis-à-vis the American and Austrian subsidiaries. These debts will be repaid in US dollars so as not to be exposed to a foreign exchange risk.

Note 8 – Cash

Liquidity agreement

At December 31, 2024, the Company held a total of 6,252 treasury shares.

Note 9 – Equity

Share capital

Number of shares variation	Number	Nominal value in €	Share capital in €
Shares at the beginning of the period	15,958,658	2	31,917,316
Securities issued	113,050	2	226,100
Number of shares at the end of the period	**16,071,708**	**2**	**32,143,416**

Other Equity Instruments

Stock options and Performance shares

Allocation of stock options (see Note 7.1.3)

The Company intends to make value sharing the primary driver of the Company's performance: involving employees in the Company's capital promotes a sense of belonging and long-term commitment. For several years now, the Company has been developing a dynamic policy of involving its employees in its financial performance.

In this respect, the Group implements free performance share plans (in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code). The mechanism consists of establishing a long-term allocation program (four years), in annual tranches, which focuses the teams on intermediate performance milestones, measured each year, in order to achieve, step-by-step, the Group's long-term performance milestones, in line with the strategic plan communicated to the market.

Thus, the "Vusion 27" free share program was launched at the end of 2023 and runs until 2027. It succeeds the "Vusion" program, which covered the 2020-2023 period. The "Vusion 27" free share program refers to the strategic plan formalized by the Group in the "Vusion 27" plan presented to the market in November 2022 (see Section 1 of this document). The Board of Directors therefore decided to allocate free of charge, with the authorization of the Extraordinary General Meeting of June 29, 2020 (24th resolution) and of June 23, 2023 (17th resolution), performance shares to certain eligible beneficiaries, subject to the delivery of the shares meeting demanding performance conditions and a condition of continued presence until the delivery date of the free shares.

The conditions of allocation are decided by the Board of Directors at the time of grant, and described in each corresponding plan. For each of these plans, the vesting period is two years between the grant and the delivery of the shares.

The performance conditions are assessed each year (see tables in Section 7.1.3). By way of illustration, the plan awarded in July 2024 will be delivered in July 2026 based on the Group's performance assessed in 2025 for the 2024 financial year.

The shares are not subject to a holding period from the date of delivery (with the exception of the obligation for the Chairman and Chief Executive Officer to retain part of his or her shares) until the end of their duties).

As of December 31, 2024, 303,384 free shares allocated under these plans remain to be delivered subject to compliance with their performance and presence conditions.

Earnings per share	**12/31/2024**	12/31/2023
Profit (Loss) (in € '000)	18,370	43,663
Weighted average number of shares	16,006,225	15,897,494
Share subscription warrants	1,761,200	1,761,200
Performance shares(1)	303 384	238,748
Earnings per share (in €)		
• before dilution	1.15	2.75
• after dilution	1.02	2.44

(1) Concern shares granted but not delivered at the reporting date. At December 31, 2024, this corresponded to 125,848 shares under the 2023 plan and 177,536 shares under the 2024 plan.

Issue premium

The issue premium of €128 million results from various capital increases carried out since the creation of the company.

Note 10 – Loans

Loans in € '000	Opening	+	-	Closing
Bond issues	50,000			50,000
Loans from credit institutions	118,889		(28,889)	90,000
TOTAL	**168,889**	**0**	**(28,889)**	**140,000**

VI. Notes to the income statement

Note 11 – Revenue

Sales for the period break down as follows:

Sales in millions of €	12/31/2024		12/31/2023	
Mainland France	61.6	7 %	70.6	10%
Exports	884.4	93 %	649.6	90%
TOTAL	**946.0**		**720.3**	

The Group's organization is described in section 5.1.1. VusionGroup SA, the parent company, centralizes ESL purchases from the Group's suppliers on behalf of its subsidiaries, which it then resells to them. ESLs sold to external customers by the subsidiaries and which constitute a large portion of the Group's consolidated revenue, are those that made up the revenue generated by the parent company with its subsidiaries for the sale of ESLs. It is therefore normal that the revenue in the separate financial statements is close to the revenue in the Group's consolidated financial statements.

Revenue in France are ESL sales generated by the parent company with French retailers for shops located in France, as well as the corresponding VAS activities.

Note 12 – Other income

The €20,461 thousand of other income mainly consists of €20,257 thousand of management fees invoiced within the Group and €167 thousand for the annual patent license fee.

Note 13 – Release on depreciation and amortization and reversals of provisions and expense transfers

At December 31, 2024, the Company recorded €7,838 thousand in reversals of operating provisions, including €7,484 thousand for impairment of inventories, €124 thousand for impairment of trade receivables, and €231 thousand for risks and expenses. In addition, the Company recognized transfers of operating expenses for an amount of €573 thousand.

Note 14 – Breakdown of external expenses

External charges in € '000	12/31/2024	12/31/2023
Variable external expenses	9,742	10,170
Travel Expenses and Travel	3,856	3,668
IT and telecom expenses	12,022	7,455
External staff costs and recruitment fees	417	630
Fees	14,865	5,661
Marketing	6,413	5,489
Other external expenses	29,022	26,463
TOTAL	**76,337**	**59,536**

Other external charges are mainly made up of general and technical subcontracting charges (R&D, IT or recovery in particular) and real estate rental charges.

Note 15 – Other charges

Other charges in € '000	12/31/2024	12/31/2023
Patent licenses expenses	7,065	10,004
Other charges	388	292
TOTAL	**7,453**	**10,296**

The royalty expense for patents and licenses mainly relates to intra-Group agreements in the amount of €6,967 thousand for 2024 compared to €8,699 thousand for the previous fiscal year.

Note 16 – Financial income and expenses

Financial income amounted to €11,115 thousand and mainly corresponds to €3,330 thousand in positive foreign exchange differences, €3,510 thousand in income from the sale of marketable securities, and €2,290 thousand in interest on receivables related to investments and current accounts. For 2023, financial income included €20,019 thousand in interest on receivables related to investments and current accounts of subsidiaries under centralized cash flow and current account advance management agreements. This decrease can be explained by the compensation agreement applied at December 31, 2024, mentioned in Note 4 "Statement of receivables".

Financial expenses amounted to €77,169 thousand and mainly corresponded to €51,731 thousand of allocation to provisions for foreign exchange losses, €25,128 thousand of interest and similar expenses including €13,807 thousand of accrued interest on the current accounts of subsidiaries under centralized cash flow and current account advance management agreements, €11,110 thousand of interest on loans and €104 thousand of foreign exchange losses.

1
2
3
4
5
6
7
8
9

Note 17 – Income tax

Breakdown of income tax

Amounts in € '000	Before tax	Tax	After tax
Operating result	85,358	16,286	69,072
Net financial result	(66,054)	(17,217)	(48,837)
Extraordinary profit (loss)	(3)		(3)
TOTAL	**19,301**	**(931)**	**18,370**

VII. Other information

Note 18 – Workforce

Employee headcount at December 31, 2024, was 296 and can be broken down as follows:

Categories of employees	Employees
Managers	178
Workers	91
Apprentices under contract	27
TOTAL	**296**

Quarterly average headcount is as follows:

Quarter	Employees
Q1 2024	276
Q2 2024	283
Q3 2024	281
Q4 2024	292

Note 19 – Off-balance sheet commitments

Commitments made

- Rent payment guarantee for an amount of €376 thousand (CIC);
- Bank guarantee on a foreign transaction for an amount of €65 thousand
- Comfort letter to VusionGroup GmbH, a wholly owned subsidiary.

At December 31, 2024, the Group complied with the consolidated leverage ratio (covenant) which refers to the ratio between net financial debt and EBITDA of less than 3.5 for Euro pp amounting to €10 million maturing in July 2025, and less than 2.5 for the €150 million bank loan and the €40 million Euro PP tranche raised in December 2023.

Total amount of future minimum payments to be made under non-cancellable operating leases (see table below):

Leases (in €)	Less than 1 year	1 year to 5 years	More than 5 years
Office/Warehouse	1,781,239	4,570,750	0
Vehicles	239,231	219,078	0
TOTAL	**2,020,470**	**4,789,828**	**0**

Contingent liabilities

NONE

Note 20 – Corporate officer remuneration and retirement plan

The gross remuneration paid to the Chairman and Chief Executive Officer for the period amounted to €617 thousand in respect of his fixed remuneration and benefits in kind in 2024 and 2023 bonus.

A contract under the Company Guarantee for Company Executives (GSC) was signed in 2012 for the benefit of the Chairman and Chief Executive Officer. The annual contribution for the year 2024 amounted to €22 thousand.

This contract includes the basic plan as well as a supplementary plan providing for compensation coverage over a 12-month period (former plan).

Note 21 – Statutory Auditors' fees

The expense recognized for the Statutory Auditors' fees amounted to €1,917 thousand for the statutory audit assignment (including €1,410 thousand for the certification of the individual and consolidated financial statement and €507 thousand for services other than the certification of the financial statement).

Note 22 – Degree of exposure to market risks

With regard to receivables and payables subject to exchange rate fluctuations:

At December 31, 2024, outstanding trade debts in USD represented $132,595 thousand or €127,630 thousand. Outstanding trade receivables in USD represented $46,438 thousand or €44,699 thousand.

These receivables and payables gave rise to the recognition of an active translation adjustment of €3,350 thousand and a passive translation adjustment of €1,376 thousand.

The balance of translation differences on assets and liabilities mainly concerns intra-group receivables and payables for €48,311 thousand and €1,021 thousand respectively.

Note 23 – Transactions with related companies

Vusion SA (SES-imagotag S.A.) has booked the following transactions with its majority shareholder, BOE Smart Retail (Hong Kong) Co. Ltd, or companies associated with this company for 2024:

- $381.1 million in purchases from Chongqing BOE Smart Electronic System Co. Ltd relating to an industrial supply and sub-contracting agreement ("Master Service Agreement");
- $4.11 million in sales of components with Chongqing BOE Smart Electronic System Co. Ltd. This amount corresponds to the Group's purchases of screens that were then sold to Chongqing BOE Smart Electronic System Co. Ltd to produce labels. At the end of the first half of 2024, Chongqing BOE Smart Electronic System Co. Ltd obtained its supplies directly from the supplier. These flows of products purchased from third parties and resold to the Group's suppliers for use in the production of labels then sold to the Group are restated to neutralize the impact in the consolidated financial statements; they do not impact the Group's consolidated revenue or its margin.

Note 24 – Table of subsidiaries and equity interests[1]

Subsidiaries and equity interests	Share capital	Reserves and retained earnings	% of capital held	Gross value of shares held	Net value of shares held	Loans and advances granted by the company	Revenue [tax excluded] of the prior period	Profit (loss) for the prior period
SES-imagotag Mexico S. de R.L. de C.V.	0	(1,527)	100	0	0	0	9,877	197
SES-imagotag PTE. LTD.	34	(462)	100	29	29	0	0	0
VusionGroup s.r.l.	10	4,383	100	10	10	0	36,627	1,312
VusionGroup GmbH	50	20,611	100	17,570	17,570	0	260,486	3,616
Solutions Digitales SES-imagotag Ltée	0	210	100	0	0	0	25,350	208
VusionGroup Inc.	10	4,791	100	22,178	22,178	0	484,857	8,751
Captana GmbH	67	2,778	100	20,020	20,020	27,171	9,565	(2,967)
Pervasive Displays Inc	4,433	1,394	100	29,921	29,921	2,940	9,482	3,386
VusionGroup ApS	7	142	100	7	7	152	313	11
VusionGroup B.V.	1	16	100	1	1	842	1,332	54
SES-imagotag Iberia S.L	3	121	100	3	3	973	1,820	63
VusionGroup Ltd.	872	(2,567)	100	2,800	2,800	1,393	4,326	(39)
Pdi Digital GmbH	35	1,086	90	1,706	1,706	654	4,924	(2,384)
VusionGroup Pty Ltd.	0	13	100	0	0	0	434	13
VusionGroup K.K.	32	12	100	39	39	0	1,108	36
VusionGroup RDC d.o.o.	3	128	100	3	3	129	1,044	80
In The Memory SAS	6	11,419	100	83,644	83,644	0	17,449	5,397
Belive SAS	18	(2,451)	71.67	7,219	7,219	0	766	(3,453)
VusionGroup Limited	1	0	100.0			32	138	6
BOE-YiYun	75,502	0	8.9	18,669	18,669	0		

- A €426 thousand dividend payment was approved by the Board of Pervasive Displays Inc on June 28, 2024.
- Off-balance sheet commitments are described in Note 19.

Note 25 – Credit, liquidity, and cash flow risks

The company does not hold any risky investments.

[1] Data presented in thousands of euros, converted at the average exchange rate for the fiscal year ended December 31, 2024.

1 2 3 4 5 6 7 8 9

6.3 Statutory Auditors' reports

Statutory auditors' report on the consolidated financial statements

Financial year ending,December 31, 2024

This is a free English translation of the Statutory Auditors' report on the consolidated financial statements issued in French and is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

At the General Meeting of the VusionGroup,

Opinion

In fulfilment of the mission entrusted to us by the General Meeting, we have audited the consolidated financial statements of VusionGroup for the year ended December 31, 2024, as attached to this report.

We certify that the consolidated financial statements are, with regard to IFRS as adopted in the European Union, regular and fair and give a true and fair view of the result of operations for the past financial year as well as of the financial position and assets, at the end of the financial year, of the whole made up of the persons and entities included in the consolidation.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for the opinion

Audit Repository

We conducted our audit in accordance with the standards of professional practice applicable in France. We believe that the evidence we have gathered is sufficient and appropriate to base our opinion.

Our responsibilities under these standards are set out in the "Statutory auditors' responsibilities in relation to the audit of the consolidated financial statements" section of this report.

Independence

We carried out our audit mission in compliance with the rules of independence provided for by the Commercial Code and by the Code of Ethics of the Statutory Auditor profession over the period from January 1, 2024 to the date of issue of our report, and in particular we did not provide services prohibited by Article 5, paragraph 1 of Regulation (EU) No 537/2014.

Rationale for Assessments - Key Audit Matters

Pursuant to the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most material for the audit of the consolidated financial statements for the year, as well as the responses we have provided to these risks.

The assessments thus made are in the context of the audit of the consolidated financial statements taken as a whole, and of the formation of our opinion expressed above. We do not express an opinion on any items in these consolidated financial statements taken in isolation.

Goodwill assessment

Notes II.1.1.2, II.1.2 and II.4 - Note 1 to the consolidated financial statements

Identified risk

Goodwill from previous acquisitions is the difference between the fair value of the consideration transferred and the fair value of identifiable assets acquired and liabilities taken over, and is allocated to a single cash-generating unit (CGU). They are included in the assets of the consolidated financial statements for a gross value of €122.8 million as of December 31, 2024.
Management ensures at each annual closing, or more frequently if there is an indication of impairment, that the carrying amount of such goodwill does not exceed its recoverable amount and does not present a risk of impairment.

The terms of the impairment test implemented and the details of the assumptions used are presented in note II.1.2 to the notes to the consolidated financial statements.

The determination of the recoverable amount of goodwill is based on significant management judgments and assumptions, including growth rates, cash flow projections based on operating forecasts and the discount rate applied to the discounted cash flow method. We consider the valuation of goodwill to be a key focus of our audit due to (i) its material materiality in the consolidated balance sheet, (ii) the significant amount of judgment and assumptions required in management's determination of recoverable amount, and (iii) the sensitivity of the measurement of recoverable amount to changes in some of these assumptions.

Our response

We reviewed the implementation of management's impairment test and reviewed the methodology used in accordance with applicable accounting standards.

We also carried out a critical analysis of the modalities of implementation of this methodology. Our work has included the following:

- Verify the design and implementation of internal controls related to the preparation of these analyses,
- Assess the relevance of the definition of cash-generating units used by management and their compliance with accounting principles, and verify the determination of the associated net book value,
- Reconcile cash flow projections from previous years with 2024 achievements to assess reliability,
- Verify the consistency of the business forecasts underlying the determination of cash flows for the years 2025 to 2029 with the Group 2025 budget approved by the Board of Directors on December 12, 2024 and the Group business plan used by management for the following years,
- Assess the reasonableness of the discount rates and long-term growth rates used, with the help of our financial valuation specialists, with the help of our financial valuation specialists,
- Assess the consistency of the turnover projections retained with the order book and sales forecasts, by talking to the management responsible for their establishment and reconciling these elements with the information collected and the documentation obtained,
- Analyze the sensitivity of the recoverable amount determined by management to changes in key assumptions to assess the level of change that would require the recognition of an impairment charge.

Finally, we have verified the appropriateness of the information provided in the notes to the consolidated financial statements.

Accounting for the global contract with Walmart

Notes II.1.18 "Revenue from contracts with customers (IFRS 15)".

Identified risks

As disclosed in note II.1.18 "Revenue from contracts with customers (IFRS 15)" in the notes to the consolidated financial statements, in April 2023 the Group entered into a deployment agreement with Walmart to equip its stores in the United States with the new EdgeSence solution and related services. This contract, consisting of several successive execution orders, provides for:

- Tariff discounts on volumes sold, analysed as substantial rights granted to the customer, and recognised as revenue from the first performance obligations met,
- The pre-financing by Walmart of the construction of one or more production lines intended to ensure the significant production volumes, analysed as an advance payment of €311 million, recognised in Other current liabilities, and including the turnover recognised as performance obligations are met,
- The partial repayment of this pre-financing in the event of VusionGroup's use of these lines for other customers, analyzed as consideration payable to the customer, estimated on the basis of the expected utilization of the production lines and the maximum utilization of these lines for other customers, and recognized as a contract liability,
- The grant of VusionGroup share subscription warrants to Walmart, exercisable for a maximum period of 7 years subject to the achievement of a minimum of €700 million of expenses incurred with VusionGroup, assimilated to a payment in kind made to the customer and a prepaid discount to be measured at fair value (€163 million as of June 2, 2023), presented in Other current receivables, and taken into account in turnover as performance obligations are met.

We consider as a key issue of the audit the assessment of the estimates made by management in the context of the recognition of turnover under this contract, in particular with regard to the estimation of variable consideration and the recognition of the substantial rights granted to the client.

Responses

Our work has included the following:

- To be aware of the terms and conditions of the overall contract concluded with Walmart, and of the contractual changes that have occurred during the financial year,
- Study the contractual terms with the support of our IFRS specialists,
- Verify the calculations made by the group to take into account the price discounts on volumes sold and the accounting of the discount paid in advance to the customer in the form of warrants as the performance obligations are met,
- Assess the reasonableness of the main assumptions used by the group to assess the amount of future royalties to be paid to the customer in the context of the pre-financing of the production lines, in line with the business plans approved by the Board of Directors.

We also checked the appropriateness of the information provided in the notes to the consolidated financial statements.

Specific checks

In accordance with the standards of professional practice applicable in France, we have also carried out the specific verifications provided for by the legal and regulatory texts of the information relating to the group, given in the management report of the Board of Directors.

We have no comments to make on their sincerity and their consistency with the consolidated accounts.

Other verifications or information provided for by legal and regulatory texts

Format for the presentation of the consolidated financial statements included in the annual financial report

In accordance with the standard of professional practice on the due diligence of the statutory auditor relating to annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we have also verified compliance with this format defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of consolidated financial statements intended to be included in the annual financial report referred to in I of Article L.451-1-2 of the Code established under the responsibility of the Chairman and Chief Executive Officer. As these are consolidated accounts, our due diligence includes verifying the compliance of the marking of these accounts with the format defined by the above-mentioned regulation.

On the basis of our work, we conclude that the presentation of the consolidated accounts included in the annual financial report complies in all material respects the single European electronic reporting format.

Due to the technical limitations inherent in the macro-tagging of consolidated accounts according to the single European electronic reporting format, it is possible that the content of some tags in the notes to the notes is not reflected in the same way as the consolidated accounts attached to this report.

Furthermore, it is not up to us to verify that the consolidated financial statements that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of statutory auditors

We were appointed Statutory Auditors of VusionGroup by the Annual General Meeting of 23 June 2017. As of December 31, 2024, Deloitte & Associés and KPMG S.A. were in the 8th year of their uninterrupted assignment.

Responsibilities of management and corporate governance in relation to the consolidated financial statements

It is the responsibility of management to prepare consolidated financial statements that present a true and fair view in accordance with IFRS as adopted in the European Union and to put in place the internal control that it considers necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, for presenting in the financial statements, where appropriate, the necessary information relating to going concern and for applying the going concern accounting policy, unless it is planned to liquidate the company or cease operations.

The audit committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as where applicable internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the Board of Directors.

Statutory auditors' responsibilities relating to the audit of the consolidated financial statements

Audit objective and approach

It is up to us to draw up a report on the consolidated accounts. Our objective is to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with the standards of professional practice will consistently detect material misstatement. Misstatements may result from fraud or error and are considered material where they can reasonably be expected to influence, individually or in aggregate, the economic decisions that users of the accounts make based on the accounts.

As specified by Article L.821-55 of the French Commercial Code, our mission of certifying the accounts does not consist in guaranteeing the viability or quality of the management of your company.

In the context of an audit carried out in accordance with the standards of professional practice applicable in France, the statutory auditor exercises his or her professional judgment throughout the audit. Besides:

- it identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, defines and implements audit procedures to address those risks, and collects information that it considers sufficient and appropriate to form the basis of its opinion. The risk of non-detection of a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, as fraud may involve collusion, falsification, wilful omissions, misrepresentation, or circumvention of internal control;
- it is aware of the internal control relevant to the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- it assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related disclosures provided in the consolidated financial statements;
- It assesses the appropriateness of management's application of the going concern accounting policy and, depending on the information collected, the existence or absence of a material uncertainty related to events or circumstances that may affect the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of its report, bearing in mind, however, that subsequent circumstances or events could jeopardise going concern. If it concludes that there is a material uncertainty, it draws the attention of the readers of its report to the information provided in the consolidated financial statements about this uncertainty or, if this information is not provided or is not relevant, it makes a qualified certification or a refusal to certify;
- it assesses the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements reflect the underlying operations and events in such a way as to give a true and fair view of them;
- With regard to the financial information of the persons or entities included in the scope of consolidation, it shall collect information that it considers sufficient and appropriate to express an opinion on the consolidated financial statements. It is responsible for directing, supervising and carrying out the audit of the consolidated financial statements as well as the opinion expressed on these financial statements.

Report to the Audit Committee

We provide the Audit Committee with a report that includes the scope of the audit work and the work programme implemented, as well as the conclusions of our work. We also bring to its attention, where applicable, any significant weaknesses in internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

The items disclosed in the report to the Audit Committee include the risks of material misstatement that we consider to have been most material to the audit of the consolidated financial statements for the year and therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the Code of Ethics of the Statutory Auditor profession. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris-La Défense, April 30, 2025

The Statutory Auditors

KPMG S.A.	**Deloitte & Associés**

French original signed by

Mathilde FIMAYER	Hélène DE BIE

Statutory auditors' report on the annual financial statements

Year ended December 31, 2024

This is a free English translation of the Statutory Auditors' report on the financial statements issued in French and is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by French law. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

At the General Meeting of the VusionGroup,

Opinion

In fulfilment of the mission entrusted to us by the General Meeting, we have audited the annual financial statements of VusionGroup for the year ended 31 December 2024, as attached to this report.

We certify that the annual accounts are, in accordance with French accounting rules and principles, regular and fair and give a true and fair view of the result of operations for the past financial year as well as the financial situation and assets of the company at the end of that financial year.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for opinion

Audit Repository

We conducted our audit in accordance with the standards of professional practice applicable in France. We believe that the evidence we have gathered is sufficient and appropriate to base our opinion.

Our responsibilities under these standards are set out in the section "Statutory auditors' responsibilities in relation to the audit of the annual financial statements" of this report.

Independence

We carried out our audit mission in compliance with the rules of independence, provided for by the Commercial Code and by the Code of Ethics of the Statutory Auditor profession over the period from January 1, 2024 to the date of issue of our report, and in particular we did not provide services prohibited by Article 5, paragraph 1 of Regulation (EU) No 537/2014.

Rationale for Assessments - Key Audit Matters

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the annual financial statements for the year, as well as the responses we have provided to these risks.

The assessments thus made are part of the context of the audit of the annual accounts taken as a whole and the formation of our opinion expressed above. We do not express an opinion on individual elements of these annual accounts.

Valuation of equity securities and related receivables

Identified risk

Equity securities and receivables related to equity interests, which were on the balance sheet as of December 31, 2024 for a net amount of €196,598 thousand and €15,273 thousand respectively, represent significant balance sheet items. They are recognised at their acquisition date and impaired, where applicable, on the basis of their value in use for equity securities and their recoverable amount for receivables related to investments.

As noted in note "II. Accounting policies and policies - 3) Financial assets" in the notes, the value in use estimated by management is based on future business and profitability prospects.

Estimating the value in use of these securities requires the exercise of management's judgment in estimating these forward-looking items.

Due to these uncertainties inherent in the likelihood of the forecasts being realized, we considered the correct measurement of equity securities and related receivables to be a key audit issue.

Our response

In order to assess reasonableness of the estimates of the values in use of investments in subsidiaries and affiliates and of the recoverable amount of related receivables, based on the information provided to us, our work mainly consisted of verifying that the estimates of these values determined by management are based on an appropriate justification of the valuation method and the figures used, and of:

- Verifying the design and implementation of internal controls relating to the preparation of these analyses,
- Compare the net carrying value of equity securities to the value in use estimated by management based on future business and profitability prospects,
- Assess the consistency of the cash flow forecasts retained by management in the impairment test with the business plans drawn up by the finance and general departments of the entities concerned,
- Verify, in particular through interviews with the finance and general management departments, that the estimate of these cash flows is based on an appropriate justification of the key assumptions used, in particular with regard to recent performance and commercial opportunities,
- Assess the reasonableness of the discount rates and long-term growth rates used, with the help of our financial valuation specialists, based on our knowledge of the economic environment in which the entities concerned operate and market analyses for comparable companies.
- In the event that an independent valuation is conducted, review the methodologies applied and key assumptions made, with the assistance of our financial valuation specialists,
- Analyze the sensitivity of the recoverable amount determined by management to changes in key assumptions to assess the level of change that would require the recognition of an impairment charge;
- Assess the recoverability of the related debts in the light of the analyses carried out on the equity securities.

Finally, we reviewed the appropriateness of the information in the notes to the financial statements.

Specific checks

We have also carried out, in accordance with the standards of professional practice applicable in France, the specific verifications provided for by the legal and regulatory texts.

Information in the annual report and other documents on the financial position and annual accounts sent to shareholders

We have no comments to make on the fairness and consistency with the annual accounts of the information provided in the management report of the Board of Directors and in the other documents on the financial position and the annual accounts addressed to shareholders.

We certify the sincerity and consistency with the annual accounts of the information relating to payment terms mentioned in Article D.441-6 of the Commercial Code.

Corporate governance information

We certify the existence, in the section of the Board of Directors' management report devoted to corporate governance, of the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Regarding the information provided pursuant to the provisions of Article L.22-10-9 of the French Commercial Code on the remuneration and benefits paid or awarded to the corporate officers as well as on the commitments made in their favour, we have verified their concordance with the financial statements or with the data used to establish these accounts and, where applicable, with the elements collected by your company from the companies controlled by it that are included in the scope of consolidation. On the basis of this work, we attest to the accuracy and sincerity of this information.

Regarding the information relating to the elements that your company has considered likely to have an impact in the event of a takeover bid or exchange, provided pursuant to the provisions of Article L.22-10-11 of the French Commercial Code, we have verified its compliance with the documents from which it is derived and which have been communicated to us. On the basis of this work, we have no comments to make on this information.

Other information

In accordance with the law, we have ensured that the various information relating to the acquisition of shareholdings and control, the identity of the holders of the capital or voting rights has been communicated to you in the management report.

Other verifications or information provided for by legal and regulatory texts

Format for the presentation of the annual accounts included in the annual financial report

In accordance with the standard of professional practice on the due diligence of the statutory auditor relating to annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we have also verified compliance with this format defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of the annual accounts intended to be included in the annual financial report referred to in I of Article L.451-1-2 of the Code established under the responsibility of Chairman and Chief Executive Officer.

On the basis of our work, we conclude that the presentation of the annual accounts included in the annual financial report complies in all material respects the single European electronic reporting format.

It is not up to us to verify that the annual accounts that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of statutory auditors

We were appointed Statutory Auditors of VusionGroup by the Annual General Meeting of 23 June 2017. As of December 31, 2024, Deloitte & Associés and KPMG S.A. were in the 8th year of their mission without interruption.

Responsibilities of management and corporate governance in relation to the annual financial statements

It is the responsibility of the management to draw up annual financial statements presenting a true and fair view in accordance with French accounting rules and principles and to put in place the internal control that it deems necessary for the preparation of annual financial statements that do not contain material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these accounts, where appropriate, the necessary information relating to going concern and to apply the going concern accounting policy, unless it is planned to liquidate the company or cease operations.

The audit committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as where applicable internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information.

The annual accounts were approved by the Board of Directors.

Responsibilities of the statutory auditors in relation to the audit of the annual financial statements

Audit objective and approach

It is up to us to draw up a report on the annual accounts. Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with the standards of professional practice will consistently detect material misstatement. Misstatements may result from fraud or error and are considered material where they can reasonably be expected to influence, individually or in aggregate, the economic decisions that users of the accounts make based on the accounts.

As specified by Article L.821-55 of the French Commercial Code, our mission of certifying the accounts does not consist in guaranteeing the viability or quality of the management of your company.

In the context of an audit carried out in accordance with the standards of professional practice applicable in France, the statutory auditor exercises his or her professional judgment throughout the audit. Besides:

- It identifies and assesses the risks of material misstatement of the annual accounts, whether due to fraud or error, defines and implements audit procedures to address those risks, and collects such information as it considers sufficient and appropriate to form the basis of its opinion. The risk of non-detection of a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, as fraud may involve collusion, falsification, wilful omissions, misrepresentation, or circumvention of internal control;
- it is aware of the internal control relevant to the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- it assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related information provided in the annual financial statements;
- It assesses the appropriateness of management's application of the going concern accounting policy and, depending on the information collected, the existence or absence of a material uncertainty related to events or circumstances that may affect the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of its report, bearing in mind, however, that subsequent circumstances or events could jeopardise going concern.

If it concludes that there is a material uncertainty, it draws the attention of the readers of its report to the information provided in the annual accounts about this uncertainty or, if this information is not provided or is not relevant, it makes a qualified certification or a refusal to certify;

- It assesses the overall presentation of the annual financial statements and assesses whether the annual financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

Report to the Audit Committee

We provide the Audit Committee with a report that includes the scope of the audit work and the work programme implemented, as well as the conclusions of our work. We also bring to its attention, where applicable, any significant weaknesses in internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

The items disclosed in the report to the Audit Committee include the risks of material misstatement that we consider to have been most material for the audit of the financial statements for the year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the Code of Ethics of the Statutory Auditor profession. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris-La Défense, April 30, 2025

The Statutory Auditors

KPMG S.A.	**Deloitte & Associés**

French original signed by

Mathilde FIMAYER	Hélène DE BIE

7

Information on the Company and the share capital

7.1 Shareholding **290**

7.1.1 Breakdown of the share capital and voting rights 290

7.1.2 Declarations for crossing legal thresholds and declarations of intent 291

7.1.3 Granting of performance shares 292

7.1.4 Share subscription warrants 294

7.2 Employee profit sharing **294**

7.3 Stock market data **295**

7.4 Relationship with the financial community **296**

7.5 Dividends **296**

7.6 Share buybacks **296**

7.7 Change in the amount of share capital over the last five years **299**

7.8 Legal information **299**

7.9 Documents available to the public **301**

7.1 Shareholding

7.1.1 Breakdown of the share capital and voting rights

Structure of the share capital

The share capital of VusionGroup at December 31, 2024, amounting to €32,143,416, is divided into 16,071,708 fully paid-up shares, each of the same class and with a nominal value of €2 each. The table below shows the main shareholders identified as of December 31, 2022, 2023 and 2024 fiscal years.

	December 31, 2024			December 31, 2023			December 31, 2022		
Shareholders >5%	**Number of shares**	**% capital**	**% actual voting rights***	Number of shares	% capital	% actual voting rights*	Number of shares	% capital	% actual voting rights*
BOE Smart Retail (Hong Kong) Co.(1)	5 131 349	32%	32%	5 131 349	32%	32%	5 131 349	32%	32%
SESIM(2)	1,926,408	12%	12%	1,926,408	12%	12%	1 897 837	12%	12%
LAC I SLP(3)	1,310,299	8%	8%	991,605	6%	6%	0	–%	–%
YuanHan Materials Inc (E-Ink Group)	966 666	6%	6%	966 666	6%	6%	866 666	6%	6%
Other shareholders (public)	6,730,734	42%	42%	6,890,006	43%	43%	7,949,352	50%	50%
Treasury shares	6,252	–%	–%	52,624	–%	–%	5,604	–%	–%
Total	**16,071,708**	**100%**	**100%**	**15,958,658**	**100%**	**100%**	**15,850,808**	**100%**	**100%**

(1) The full corporate name of the Company is "BOE Smart Retail (Hong Kong) Co. Ltd.". It will be referred to as "BOE Smart Retail" in the remainder of the document to ensure greater clarity. The Company is incorporated under Hong Kong law and controlled by BOE Technology Group Co. Limited in China.
(2) A public limited company owned by the VusionGroup management team and some of its directors (including Thierry GADOU, Chairman and CEO of VusionGroup, Mr. BRABECK-LETMATHE, Mr. MOISON, Ms. JOHNSON and Ms. PLOIX) of which no single person will have control within the meaning of Article L. 233-3 of the French Commercial Code.
(3) A limited partnership company, represented by Bpifrance Investissement in its capacity as management company and manager.
* The number of theoretical voting rights is equal to the number of shares (no double voting rights). The number of actual voting rights corresponds to the theoretical voting rights less treasury shares.

To the best of the Company's knowledge, at December 31, 2024, no other shareholder held, directly or indirectly, alone or with others, more than 5% of the share capital or voting rights.

The table below is a projection of the diluted share capital at December 31, 2024:

Diluted capital	**31/12/2024**	**%**
Shares issued	16,071,708	94.25%
Performance plans (shares granted, not yet delivered - see section 7.1.3)	303,384	1.78%
Exercisable shares subscription warrants Walmart (see section 7.1.4)	676,855	3.97%
TOTAL DILUTED	**17,051,947**	**100%**

To the best of the Company's knowledge, there has been no significant change in the breakdown of capital between December 31, 2024 and the date of preparation of this document.

It should be noted that a shareholding study ("TPI") was carried out as of December 31, 2024. The study identified approximately 12,200 shareholders. It noted that 12,010 resident shareholders held 41.2% of the capital, and 190 non-resident shareholders held 58.8% of the capital. Among these shareholders, 11,343 were individual shareholders holding 8.1% of the capital and 124 institutional investors holding 25.7% of the capital.

Shareholders' agreement within SESIM

SESIM is a company created in 2017 to federate management shareholding for the long term in the perspective of the Vusion '27 plan ("SESIM"). SESIM is a French public limited company (société anonyme) of which Thierry GADOU is Chairman and Chief Executive Officer. As of the date of this Universal Registration Document, it holds 10.8% of the share capital of VusionGroup. In this context, an agreement between the shareholders of SESIM, including, in particular, certain executives (including the Chairman and Chief Executive Officer), employees and directors of VusionGroup (together, the "Co-Investors"), was signed on the April 4, 2024. Under the terms of the aforementioned agreement, the Co-Investors benefit from a liquidity option allowing them, under the conditions described below, to have a third party acquire, or SESIM repurchase, the SESIM shares they hold. They may exercise this option during the option periods open during the 30 calendar days following the publication of the annual and half-yearly consolidated financial statements of VusionGroup (the "Liquidity Option"). The price of the SESIM shares affected, where applicable, by the exercise of the Liquidity Option (the "Reference Price") is determined on the basis of the volume-weighted average of the stock price of the VusionGroup share during the 30 trading days preceding the publication of the annual or half-yearly consolidated financial statements of VusionGroup, as applicable, adjusted for debt and an illiquidity discount. In the event of exercise of the Liquidity Option by one or more Co-Investors, SESIM undertakes to (i) obtain offers from third parties to acquire the SESIM shares covered by the Option at the Reference Price, or (ii) in the event that such takeover offers have not been received, buy back from the relevant Co-Investor(s) the SESIM shares covered by the Liquidity Option at the Reference Price, the SESIM shares thus repurchased by SESIM then being canceled (a "Share Buyback"). SESIM may freely decide on the terms and conditions of any Share Buyback by SESIM, which may take the form of a capital reduction paid in cash by SESIM to the Co-Investor(s) having exercised the Liquidity Option or, at SESIM's discretion, settled by remitting to the Co-Investor(s) having exercised the Liquidity Option a number of VusionGroup shares whose value (determined on the basis of the volume-weighted average share price of the VusionGroup share during the last thirty (30) trading days preceding the date of transfer of the SESIM shares) will correspond to the Reference Price of the SESIM shares covered by the Liquidity Option (the "Buyback of Shares by Delivery of VusionGroup Shares"). In this respect, SESIM has declared to the French Financial Markets Authority (AMF), regarding the transactions of the persons listed in Article L. 621-18-2 of the French Monetary and Financial Code, that, on January 24, 2025, it delivered 4,220,522 VusionGroup shares held by SESIM to certain executives and former executives of VusionGroup shareholders of SESIM (excluding corporate officers and Deputy Chief Executive Officers) in exchange for SESIM shares (see declaration 2025DD1017691 of January 30, 2025).

History of the previous shareholders agreement between BOE and SESIM

2017: BOE Technology Group and SESIM became joint shareholders of BOE Smart Retail in Hong Kong, which subsequently took control of the Company with 60.2% of the capital. The two shareholders entered into a shareholders' agreement. The agreement constituted an action in concert with the Company.

May 3, 2022: this shareholder agreement provides for a "liquidity option" for SESIM, which would allow it to become a direct shareholder of the Company during the second quarter of 2022. The option was exercised on May 3, 2022.

July 26, 2022: BOE Smart Retail delivered 240,000 shares of the Company to SESIM in connection with the sale of 1.2 million of the Company's shares in a private placement by accelerated book building ("ABB"). BOE Smart Retail also delivered 1,657,837 Company shares to SESIM in exchange for the cancellation of the BOE Smart Retail Co., Ltd. shares held by SESIM, as part of the corresponding capital reduction.

November 18, 2022: SESIM notified the exercise of this option by crossing upwards the statutory thresholds of 1%, 2%, 3%, 4%, 5%, 6%, 7%, 8%, 9%, 10% and 11% of the capital and voting rights of the Company.

7.1.2 Declarations for crossing legal thresholds and declarations of intent

Since December 31, 2024, the following statutory threshold crossing has been reported to the Company:

Date of declaration	AMF notice	Transaction date	Shareholder	Threshold	Nature of the crossing	Number of shares	% breakdown of the share capital and voting rights
1/30/2025	N/A	1/24/2025	SESIM	11%	Decrease	1,733,247	10.8%

During the 2024 fiscal year:

- No legal threshold crossing was declared,
- The main statutory threshold crossing reported to the company was as follows:

Date of declaration	AMF notice	Transaction date	Shareholder	Threshold	Nature of the crossing	Number of shares	% breakdown of the share capital and voting rights
2/28/2024	N/A	2/27/2024	Bpifrance Investissement	8%	Increase	1,310,299	8.21%

During the 2023 fiscal year, the legal threshold crossings and the main statutory threshold crossings reported to the Company were as follows:

Date of declaration	AMF notice	Transaction date	Shareholder	Threshold	Nature of the crossing	Number of shares	% breakdown of the share capital and voting rights
4/12/2023	N/A	30/11/2023	Bpifrance Investissement	6%	Increase	991,605	6.21%
4/12/2023	223C1980	28/11/2023	Bpifrance Investissement	5%	Increase	919,655	5.76%
4/7/2023	N/A	28/6/2023	YuanHan	6%	Increase	966,666	6.1%
10/3/2023	N/A		SESIM	12%	Increase	1,926,408	12.07%

During the 2022 fiscal year, the legal threshold crossings and the main statutory threshold crossings reported to the Company were as follows:

Date of declaration	AMF notice	Transaction date	Shareholder	Threshold	Nature of the crossing	Number of shares	% breakdown of the share capital and voting rights
22/11/2022	222C2525	17/11/2022	Group composed of BOE Smart Retail Co. Limited and SESIM	50, 1/3, 25, 20, 15, 10, 5%	Decrease	No more	0
			BOE Smart Retail Individually	50%	Decrease	6,631,349	42%
21/11/2022	222C2515*	17/11/2022	SESIM	5.10%	Increase	1,897,837	12%
3/10/2022	222C2288	28/9/2022	Amiral Gestion	5%	Decrease	791,654	4.99%

* In the same letter, the following declaration of intention was made: "SESIM declares that:
- the crossing of the threshold of 10% of the share capital and voting rights was financed, for the part corresponding to the 240,000 shares acquired by SESIM as part of the private placement, by bank financing secured by a pledge of SESIM's entire stake in SES IMAGOTAG. The portion corresponding to the 1,657,837 SES IMAGOTAG shares transferred as part of the capital reduction did not require any financing, the counterpart being the BOE Smart Retail (Hong Kong) Co. Limited shares bought back by BOE Smart Retail (Hong Kong). Kong) Co, Limited from SESIM;
- SESIM acts alone;
- SESIM plans to increase its stake according to market opportunities but does not intend to acquire control of SES IMAGOTAG;
- SESIM does not intend to modify SES IMAGOTAG's current strategy and, therefore, does not intend to implement any of the transactions referred to in Article 223-17 I, 6° of the General Regulations of the AMF;
- SESIM is not a party to the agreements or instruments mentioned in 4° and 4°b of I of Article L. 233-9 of the French Commercial Code;
- SESIM is not a party to a temporary sale agreement for the shares or voting rights of SES IMAGOTAG;
- SESIM does not intend to request its appointment or that of one or more persons as a director of SES IMAGOTAG"

7.1.3 Granting of performance shares

This section constitutes the report required under Article L. 225-197-4 of the French Commercial Code.

Bonus share allocation plans (AGA) are a tool for retaining the Group's key employees. Indeed, the retention rate of AGA beneficiaries is 96% vs. 86% for all employees.

The Company's desire is to make value sharing the primary driver of the Company's performance: involving employees in the Company's capital promotes a sense of belonging and long-term commitment. For this reason, the Company has been developing a dynamic policy of involving its employees in its financial performance for several years.

In this respect, the Group implements bonus performance share plans (in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code). The mechanism consists of establishing a long-term allocation program (four years), in annual tranches, which focuses the teams on intermediate performance milestones, measured each year, in order to achieve the Group's long-term growth stages step by step, in line with the strategic plan communicated to the market.

Thus, the "Vusion 27" AGA program was launched at the end of 2023 and runs until 2027. It succeeds the "Vusion" program, which covered the 2020-2023 period. The "Vusion 27" AGA program refers to the strategic plan formalized by the Group in the "Vusion'27" plan presented to the market in November 2022 (see section 1 of this document).
The Board of Directors has therefore decided to allocate free[(1)] performance shares to certain eligible beneficiaries by making the delivery of these shares conditional on compliance with demanding performance conditions and a condition of continued presence until the date of delivery of the AGA.

These grant conditions are decided by the Board of Directors at the time of the grant, and are described in each corresponding plan. For each of these plans, the vesting

(1) With the authorization of the Extraordinary General Meeting of June 29, 2020 (24th resolution) then of June 23, 2023 (17th resolution).

period is two years between the grant and the delivery of the shares.

The performance conditions are assessed each year (see tables below). By way of illustration, the plan awarded in July 2024 will be delivered in July 2026 based on the Group's performance assessed in 2025 over the 2024 fiscal year.

The shares are not subject to any holding period from the date of delivery (with the exception of the obligation for the Chairman and CEO to retain a portion of his shares until the termination of his duties).

At December 31, 2024, 303,384 performance shares granted under these plans still needed to be delivered subject to compliance with their performance and presence conditions.

Detail of Performance Shares granted: "Vusion" program

Authorization date by the EGM		EGM dated June 29, 2020 (38 months, which is until August 30, 2023) Maximum authorized volume: 3% of the share capital at the date of the Board meeting of June 29, 2020. i.e. maximum of 472,743 performance shares(1)			
Board meeting date		3/29/2023	03/28/2022	3/29/2021	06/29/2020
Envelope distributed		148,693	116,050	112,400	94,300
Beneficiaries	To Mr. Thierry GADOU in his capacity as CEO	8,000	4,000	4,000	None
	To employees who are not corporate officers	140,693	112,050	108,400	94,300
Delivery date(2)		8/1/2025(4)	July 2024(3)	July 2023(3)	July 2022(3)
Number of shares granted at 12/31/2024		0	113,050	107,850	89,800
Remaining performance shares at 12/31/2024		125,848(5)	0	0	0

(1) Number of shares at June 29, 2020: 15,758,108.
(2) Delivery: definitive subject to performance conditions (see below) and continued presence. No holding period is provided for (with the exception of the Chairman and CEO's obligation to retain 30% of these shares until the end of his duties).
(3) Based on compliance with the condition of continued presence assessed at the delivery date and the achievement of performance criteria (revenue (35%), net profit (35%), net debt/EBITDA (15%), share price (15%), it being specified that if the net profit and net debt/EBITDA criteria, do not reach a certain threshold, no distribution of performance shares will take place, regardless of the performance achieved on the other criteria (veto condition)). The performance criteria are assessed in Y+1 on the basis of performance for fiscal year Y (Y being the fiscal year during which the shares were granted).
(4) Based on compliance with the condition of continued presence assessed at the delivery date and the achievement of performance criteria (revenue (20%), VAS (15%), EBITDA (30%), net debt/EBITDA (20%), share price (15%), it being specified that if the net debt/EBITDA criterion does not reach a certain threshold, no distribution of performance shares will take place, regardless of the performance achieved on the other criteria (veto condition)). The performance criteria are assessed in Y+1 on the basis of performance for fiscal year Y (Y being the fiscal year during which the shares were granted).
(5) Given the level of achievement of the performance conditions recorded by the Board of Directors in April 2024.

Details of free shares granted: “Vusion 27” program

Authorization date by the EGM		EGM on 06/23/ 2023 (38 months, which is until 08/23/2026) Maximum authorized volume: 4.5% of the share capital at the date of the Board meeting of 12/23/2023 i.e. maximum of 718,140 bonus performance shares(1)	
Board of Directors meeting date		**07/24/2024**	12/13/2023
Envelope distributed		145,086	32,450
Beneficiaries	To Mr. Thierry GADOU in his capacity as CEO	5,564	0
	To employees who are not corporate officers	139,522(3)	32,450
Delivery date(2)		July 2026(4)	February 2026(4)
Number of shares definitively granted at 12/31/2024		0	0
Remaining performance shares at 12/31/2024		145,086	32,450

(1) Number of shares at December 13, 2023: 15,958,658.
(2) Delivery: definitive subject to performance conditions (see below) and continued presence. No holding period is provided for (with the exception of the Chairman and CEO's obligation to retain 20% of these shares until the end of his duties).
(3) Of which, in France, 68,259 shares granted to managers and 150 to non-managers. The rest concerns international employees.
(4) Based on compliance with the condition of continued presence assessed at the delivery date and the achievement of performance criteria (revenue (25%), VAS (20%), EBITDA (30%), net debt/EBITDA (15%), reduction in carbon intensity measured using a ratio comparing VusionGroup's Scope 3 carbon emissions to its consolidated contribution margin (10%) (see section 4.1.2.3)). The performance criteria are assessed in Y+1 on the basis of performance for fiscal year Y (Y being the fiscal year during which the shares were granted).

Each performance criterion is graded from 0 to 150%:

- 100% being the expected performance in the budget for the year in question or the target, approved by the Board of Directors; and
- 0% corresponding to a minimum performance required for this criterion as determined by the Board of Directors and below which the criterion is considered not met.

In any event, the overall achievement level of the performance conditions **is capped at a maximum percentage of 100%**, i.e. beneficiaries may not receive a final number of performance shares greater than the number of performance shares initially granted.

The expected level of achievement of these criteria has been precisely established by the Board of Directors, but is not made public for reasons of confidentiality.

In the event of a change of control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code), the continuous presence condition and the performance conditions will no longer be applicable and there will be no other condition to the delivery of the performance shares to the beneficiaries on the delivery date.

With regard to the plan decided by the Board of Directors on December 13, 2023, the Group's desire was to extend this plan, for the first time, to all employees with more than six months of service and a satisfactory personal performance assessment.

It is specified that the allocations to the Chairman and CEO should, in the future, be subject to separate plans with a specific mechanism. Indeed, in order to take into account the votes cast at the last General meeting, the Board of Directors will submit to the next General Meeting a new compensation policy for the Chairman and CEO, with an extension of the vesting period (from two to three years) and the period over which the performance criteria will be assessed (from one to three years) such that this component of the Chairman and CEO's compensation constitutes a long-term component, in line with the practices of other SBF120 companies (see section 3.2.2.4 of this document).

7.1.4 Share subscription warrants

The General Shareholders' Meeting of VusionGroup SA (formerly SES-Imagotag) (the "Company"), which met on June 2, 2023, approved by 98.84% the issue of 1,761,200 share subscription warrants with the cancellation of shareholders' preferential subscription rights, in favor of Walmart Inc. ("Walmart"). This issue is part of the commercial agreement announced on April 27, 2023 between the Company and Walmart Inc. The share subscription warrants authorize VusionGroup to subscribe for new shares up to a limit of 1,761 200, provided that certain conditions are met:

- the share subscription warrants may only be exercised by Walmart from the date on which payments made to the Company by Walmart or its affiliates in accordance with the commercial agreement or other contracts or purchase orders (the "Payments") amount to US $700 million (the "Initial Acquisition Condition", achieved on August 2, 2024);
- as from the achievement of the Initial Acquisition Condition, the share subscription warrants will automatically vest and can be exercised in a proportion corresponding to the ratio of the total amount of the cumulative Payments and US $3 billion, it being understood that:
  - this amount will be assessed on a quarterly basis as long as the commercial agreement is in force, and
  - the warrants will vest on a straight-line basis until full vesting when the total Payments amount to US $3 billion,
  - the share subscription warrants acquired may be exercised for a period not exceeding seven years from the date when they became exercisable.

One share subscription warrant will give the right to one VusionGroup share at the price of €112.19 per new share issued.

At December 31, 2024, 676,855 share subscription warrants were exercisable, and no share subscription warrants had been exercised.

7.2 Employee profit sharing

Allocation and exercise of options during the year ended December 31, 2024

No new stock options were granted during fiscal year 2024. At December 31, 2024, no stock option subscription plans were in progress.

Allocation of performance shares during the year ended December 31, 2024

This procedure is described in more detail in Section 7.1.3.

Percentage of share capital held by employees

At December 31, 2024, the employee ownership threshold of the share capital pursuant to Article L. 225-102 of the French Commercial Code had not been reached as it stood at 1.54%.

7.3 Stock market data

The stock's liquidity remained strong in 2024. As a reminder, the Company joined the SBF 120 index in 2023.

	2024	2023
Highest (in €)	177.7	172.4
Lowest (in €)	120.7	69.6
Closing (last trading session of the year)	175.4	135.8
Annual volume processed[1]	14,513,480	19,105,112
Number of shares comprising the capital	16,071,708	15,958,658
Floating	7,634,993	7,574,682
Percentage of the capital (in number of shares) traded during the year	90 %	120 %
Percentage of the free float (in number of shares) traded during the year	190 %	252 %
Market valuation at Dec. 31 (in €M) (a)	2,856	2,167
Cash/net financial debt (excl. effect of IFRS 16) (b)	392.8	27.3
Enterprise value (EV) at Dec. 31 (in €M) (a) - (b)	2463.2	2139.9
EV/revenue	2.44	2.67

Source: Bloomberg data.
[1] Bloomberg data (trading on Euronext and other platforms, in OTC and on dark pools).

VusionGroup share price (base 100) between December 2021 and March 2025

7.4 Relationship with the financial community

The relationship that the Group has with its shareholders is based on regular contact, in the form of conference calls and investor meetings, when its provisional and annual financial statements are published after market close.

The Group's Deputy Chief Executive Officer and Investor Relations Director (recruited in May 2024) participated in numerous investor conferences throughout 2024 to promote the Group's strategy and answer questions from current or potential investors.

In 2024, they took part in more than 200 investor meetings through investor conferences and roadshows with various partners (Oddo BHF, Portzamparc, Stifel, Berenberg, BNPP Exane, Euroland, Bernstein, Bank of America, etc.). Financial communications are available on the "investors" section of the website at www.vusion.com. This site presents all financial documentation (publications, activity reports, investor presentations) and regulated information.

Finally, there is a continuous stream of publications reporting on commercial successes, innovation awards, etc.

2025 Financial Calendar

Event	Date
FY 2024 Sales and audited results	February 26, 2025
2025 Q1 revenues	April 23, 2025
Annual General Meeting	June 17, 2025
2025 H1 revenues	July 30, 2025
2025 H1 audited results	September 15, 2025
2025 Q3 revenues	October 22, 2025

7.5 Dividends

The Company did not distribute dividends between 2012 and 2023.

The Company implemented a distribution policy for the 2023 fiscal year (see distribution of a dividend of €0.30 per share for the 2023 fiscal year, approved by the Shareholders' Meeting of June 19, 2024, in its third resolution).

It is specified that the Board of Directors has decided to propose to the Shareholders' Meeting of June 17, 2025, to set the gross amount of the dividend for the 2024 fiscal year at €0.60 per share.

7.6 Share buybacks

Description of the share buyback program authorized by the Combined General Meeting of June 19, 2024 - Resolution 14

The General Meeting authorized the Board of Directors to carry out transactions on the stock market or other ways with the Company's shares. The authorization is for a single or multiple purchase(s). The buyback can be made by any means, for a number of shares totaling up to 5% of the number of shares in the Company's share capital at any time.

In accordance with the provisions of Article L. 22-10-62 paragraph 2 of the French Commercial Code, when the shares are repurchased to promote liquidity, under the conditions defined by the General Regulation of the French Financial Markets Authority (AMF – *Autorité des Marchés Financiers*), the number of shares taken into account for the calculation of the 5% limit corresponds to the number of shares purchased, less the number of shares sold during the term of the authorization.

Purpose of the buybacks

The buybacks carried out by the Board of Directors can be used to:

- **stimulate the secondary market or the liquidity of the share** *via* an investment service provider acting independently within the framework of a liquidity contract[1];
- **use shares acquired to allocate them** to employees and/or corporate officers of the Company and other Group entities, and in particular in the context of:
  - profit-sharing;
  - any stock option plan of the Company in accordance with the provisions of Articles L. 225-177 et seq. and L. 22-10-56 et seq. of the French Commercial Code; or

[1] In accordance with market practice authorized by the French Financial Markets Authority.

  - any savings plan in accordance with the provisions of Articles L. 3332-1 et seq. of the French Labor Code; or
  - any free allocation of shares under the provisions of Articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French Commercial Code, and to carry out all hedging transactions for these operations, under the conditions stipulated by the market authorities and at the times that the Board Directors or the person acting as delegated by the Board of Directors deems appropriate;
- **provide shares for the exercise of rights attached to shares** giving rights via conversion, exercise, redemption or exchange, or any other means, to the allocation of Company shares, with the framework of the regulations in effect, and to carry out all hedging transactions related to these operations, under the conditions provided for by the market authorities, at the times the Board of Directors or the person acting on delegation of the Board of Directors deems appropriate;
- **cancel the shares bought back by reducing the share capital** under the conditions provided for by the French Commercial Code;
- **keep shares acquired for later exchange or in payment as part of potential future growth by acquisition;**
- **implement any market practices that would be authorized** by the French Financial Markets Authority and, generally, carry out all transactions in compliance with the regulations in effect.

Buyback means

The acquisition, sale, transfer or exchange of these shares may be carried out and paid for by all means, and in particular under a liquidity contract entered into by the Company with an investment service provider, subject to the regulations in force, including over-the-counter and by blocks of shares, through the use of derivatives and the implementation of options strategies[1] and at such times as the Board of Directors deems appropriate.

Unless prior authorization is given by the General Meeting, the Board of Directors cannot use this authorization as of the filing by a third party of a public offer for Company shares until the end of the offer period.

Acquisition limits

The General Meeting has decided that:

- the maximum unit purchase price, excluding costs, is limited to two hundred fifty euros (**€250**) per share;
- the acquisitions made by the Company may under no circumstances lead the Company to hold more than 5% of the shares comprising its share capital at any time.

The number of shares and the price shown above will be adjusted in the event of:

- modification of the nominal value of the share;
- a capital increase via the incorporation of reserves, profits or premiums;
- the allocation of performance shares;
- the splitting or grouping of shares;
- amortization or a reduction in capital;
- the distribution of reserves or other assets; and
- all other transactions impacting equity to take into account the incidence of these transactions on the share price.

The authorization has been provided for a period of 18 months as of the date of the General Meeting.

Buybacks carried out in 2024[2]:

Under the liquidity contract entrusted by VusionGroup (SES-imagotag) to the brokerage firm ODDO BHF, as of December 31, 2024, the following resources were included in the liquidity account:

- number of Vusion (SES-imagotag) shares: 6,252 shares, representing 0.04% of the share capital;
- cash balance of the liquidity account: €2 180 033,57;
- over the period from January 1, 2024, to December 31, 2024, carried out:
  - 16,628 purchase transactions;
  - 15,745 sale transactions.
- over the same period, volumes traded represented:
  - 483,177 shares and €68,248,401 for purchases;
  - 478,940 shares and €68,043,463 for sales.

In respect of a share buyback program published prior to its implementation, in accordance with General Article 241-2 I of the AMF, the Company has mandated Natixis.

The summary of the purchase and sale of treasury shares carried out by the Company during the 2024 fiscal year, excluding the liquidity contract, is as follows:

- number of shares purchased: 37,866
- average purchase price: €132.04
- number of shares sold: 0
- average sales price: 0
- number of shares registered at closing: 0

Authorization for the Board of Directors to trade in the Company's shares submitted to the Combined General Meeting of June 17, 2025

The project consists in the General Meeting authorizing the Board of Directors, with the option of subdelegation under the conditions provided for by law, to carry out transactions on the stock market or other ways with the Company's shares.

Under this authorization, which will be submitted for approval at the General Meeting of June 17, 2025, the Board of Directors would be authorized to acquire, on one or more occasions and by any means, a number of shares representing up to 10% of the number of shares comprising the Company's share capital at any time.

(1) Acquisition and sale of share purchase and sale options and all combinations thereof in line with the applicable regulations.
(2) Transactions carried out under the authorizations granted by the Shareholders' Meetings of June 23, 2023 and June 19, 2024.

In accordance with the provisions of Article L. 22-10-62 paragraph 2 of the French Commercial Code, when the shares are repurchased to promote liquidity, under the conditions defined by the General Regulation of the French Financial Markets Authority (AMF – *Autorité des Marchés Financiers*), the number of shares taken into account for the calculation of the 10% limit corresponds to the number of shares purchased, less the number of shares sold during the term of the authorization.

Purpose of the buybacks

The buybacks carried out by the Board of Directors could be used to:

- **stimulate the secondary market** or the liquidity of the share via an investment service provider acting independently within the framework of a liquidity contract in accordance with the market practices allowed by the French Financial Markets Authority (AMF – Autorité des Marchés Financiers);
- **use shares acquired** to allocate them to employees or corporate officers of the Company and other Group entities, and in particular in the context of:
  - profit-sharing;
  - any stock option plan of the Company in accordance with the provisions of Articles L. 225-177 et seq. and L. 22-10-56 et seq. of the French Commercial Code; or
  - any savings plan in accordance with the provisions of Articles L. 3332-1 et seq. of the French Labor Code; or
  - any free allocation of shares under the provisions of Articles L. 225-197-1 et seq. and L.22-10-59 et seq. of the French Commercial Code, and to carry out all hedging transactions for these operations, under the conditions stipulated by the market authorities and at the times that the Board Directors or the person acting as delegated by the Board of Directors deems appropriate;
- **provide shares for the exercise of rights attached to shares** giving rights via conversion, exercise, redemption or exchange, or any other means, to the allocation of Company shares, with the framework of the regulations in effect, and to carry out all hedging transactions related to these operations, under the conditions provided for by the market authorities, at the times the Board of Directors or the person acting on delegation of the Board of Directors deems appropriate;
- **cancel the shares bought back by reducing the share capita**l under the conditions provided for by the French Commercial Code, in accordance with the authorization granted or to be granted by the Extraordinary General Meeting;
- **use all or some of the shares acquired for later exchange or in payment as part of potential future growth by merger, spin-off or acquisition;**
- **implement any market practices that would be authorized** by the French Financial Markets Authority (AMF – *Autorité des Marchés Financiers*) and, generally, to carry out all transactions in compliance with the regulations in effect.

Buyback means

The acquisition, sale, transfer or exchange of these shares may be carried out and paid for by any means, and in particular under a liquidity contract entered into by the Company with an investment services provider, including over-the-counter and block shares, through the use of derivative financial instruments and the implementation of options strategies[1] and at such times as the Board of Directors deems appropriate. Unless prior authorization is given by the General Meeting, the Board of Directors cannot use this authorization as of the filing by a third party of a public offer for Company shares until the end of the offer period.

Acquisition limits

The Meeting will be asked to set the following limits:

- the maximum unit purchase price, excluding costs would be limited to **three hundred euros (€300)** per share;
- the acquisitions made by the Company may not in any case lead the Company to hold more than 10% of the shares comprising its share capital at any time.

The number of shares and the price shown above would be adjusted in the event of:

- modification of the nominal value of the share;
- a capital increase via the incorporation of reserves, profits or premiums;
- the allocation of performance shares;
- the splitting or grouping of shares;
- amortization or a reduction in capital;
- the distribution of reserves or other assets and all other transactions impacting equity to take into account the incidence of these transactions on the share price.

This authorization is provided for a period of 18 months as of the date of the General Meeting. In order to ensure the execution of this resolution, all powers would be granted to the Board of Directors with the option of subdelegation under the conditions provided for by law, for the purposes of:

- deciding to implement this authorization;
- placing all stock market orders;
- making all declarations and formalities with the French Financial Markets Authority relating to the buyback program referred to above;
- completing any other formality or to enter into any other agreement for this purpose and, more generally, to do whatever is necessary for the purposes of implementing the aforementioned buyback program.

This authorization would supersede the authorization granted by the Combined General Meeting of June 19, 2024 in its Resolution 14.

(1) Purchase and sale of share purchase and sale options and all combinations thereof in line with the applicable regulations.

7.7 Change in the amount of share capital over the last five years

On December 31, 2024, the Company's capital amounted to €32, 143,416, split into 16,071,708 shares of €2 nominal value.

Year	Change in capital	Date of recognition	Share news	Number of shares comprising the capital	Successive amount (in €)	Fiscal year
2024	Delivery of performance shares	**07/24/2024**	113,050	16,071,708	32,143,416	**12/31/2024**
2023	Delivery of performance shares	**07/27/2023**	107,850	15,958,658	31,917,316	**12/31/2023**
2022	Delivery of performance shares	**07/22/2022**	89,800	15,850,808	31,701,616	**12/31/2022**
2021	Options exercised	**01/26/2022**	2,900	15,761,008	31,522,016	**12/31/2021**
2020				15,758,108	31,516,216	**12/31/2020**
2019	Options exercised	**02/20/2020**	2,000	15,758,108	31,516,216	**12/31/2019**
	Options exercised	**12/17/2019**	1,100	15,756,108	31,512,216	**12/31/2019**
	Capital Increase	**12/04/2019**	1,228,071	15,755,008	31,510,016	**12/31/2019**
	Options exercised	**09/18/2019**	23,600	14,526,937	29,053,874	**12/31/2019**

7.8 Legal information

7.8.1 Company name

As of the date of this Universal Registration Document, the name of the Company is "VusionGroup".

7.8.2 Place of registration and registration number

The Company is registered with the Nanterre Trade and Companies Register under number 479 345 464.

7.8.3 Date of incorporation and term of the Company

The Company was incorporated for a period of 99 years from its registration on November 2, 2004, except in the event of early dissolution or extension by collective decision of the shareholders in accordance with the law and the Articles of Association.

The Company's fiscal year begins on January 1 and ends on December 31 of each year.

7.8.4 Registered office, legal form and applicable legislation

The Company's registered office is located at 55, place Nelson Mandela, Nanterre (92000). The telephone number of the registered office is +33 1 34 34 61 61.

As of the date of this Universal Registration Document, the Company is a French public limited company (société anonyme).

The company's website address is www.vusion.com. The information on the Company's website is not part of this Universal Registration Document.

The Company's LEI (Legal Entity Identifier) code is 969500U51BYOMEW9M549.

7.8.5 Corporate purpose

The purpose of the Company, in France and abroad, is:

- the design, study, development, industrialization and marketing, in all its forms, of all labeling, signaling, information and communication systems, electronic or otherwise, and their uses;
- the creation, acquisition, rental, leasing, installation, and operation of all establishments, businesses, factories, and workshops related to these activities, directly or indirectly, and in particular by granting licenses or franchises;

- the acquisition, sale, procurement, leasing, exploitation or transfer of all processes, patents, know-how, certificates, signs or trademarks concerning these activities;
- the acquisition of interests or holdings by the Company, directly or indirectly, in any commercial or industrial operation, companies or businesses, whether industrial, commercial or financial, service, securities or real estate, by means of the creation of companies, contributions, limited partnerships, subscriptions or purchases of securities or corporate rights, mergers, alliances or joint ventures, or otherwise, and the management by means of the purchase, exchange, sale or arbitration of these interests or holdings; and
- more generally, any commercial, financial, industrial, movable and artistic operation that may be directly or indirectly related to the corporate purpose or likely to facilitate its realization, extension or development.

7.8.6 Subsidiaries and equity interests

As of December 31, 2024, the Company held 19 consolidated subsidiaries and a minority stake.

Subsidiaries are all entities over which the Group exercises direct or indirect control. Control is characterized by the power to govern financial and operating policies.

Transaction	City (country)	Subsidiary name at transaction time	Current subsidiary name	Company holding
Subsidiary created in 2011	Singapore	STORE ELECTRONIC SYSTEMS ASIA PACIFIC PTE. LTD	SES-imagotag PTE, Ltd	100%
Subsidiary created in 2011	Mexico City (Mexico)	STORE ELECTRONIC SYSTEMS LATINO AMERICA S de RL de CV	SES-imagotag S. de R.L. de C.V.	100%
Subsidiary created in 2013	State of Delaware (United States)	STORE ELECTRONIC SYSTEMS, INCORPORATED	VusionGroup inc.	100%
Subsidiary created in 2013	Milan (Italy)	STORE ELECTRONIC SYSTEMS ITALIA SL	VusionGroup s.r.l.	100%
Subsidiary created in 2014	Montreal (Canada)	SYSTÈMES ÉLECTRONIQUES POUR MAGASINS LTÉE	Solutions Digitales SES-imagotag Ltée.	100%
Acquisition:	Austria	Imagotag GmbH	VusionGroup GmbH	100%
Acquisition:	Germany	FINDBOX GmbH	Captana GmbH	100%
Acquisition:	United Kingdom	MARKET HUB	VusionGroup Ltd	100%
Acquisition of 100%	Taiwan	PERVASIVE DISPLAYS Inc.	Pervasive Displays Inc.	100%
Subsidiary created in 2017	Netherlands	SES-imagotag Netherlands B.V.	VusionGroup B.V.	100%
Subsidiary created in 2017	Denmark	SES-imagotag Danmark A.P.S.	VusionGroup A.P.S.	100%
Subsidiary created in 2017	Madrid	SES-imagotag Iberia S.L.	SES-imagotag Iberia S.L.	100%
Joint venture in 2019	China	BOE Digital Technology Co., Ltd.	BOE-YiYun Technology Ltd	8.9%
Joint venture in 2019	Austria	PDi Digital GmbH.	PDi Digital GmbH.	90%
Subsidiary created in 2021	Australia	SES-imagotag Pty Ltd	VusionGroup Pty Ltd	100%
Subsidiary created in 2022	Croatia	SES-imagotag RDC d.o.o.	VusionGroup RDC d.o.o.	100%
Subsidiary created in 2022	Japan	SES-imagotag Japan K.K	VusionGroup K.K	100%
Acquisition in 2023	France	Belive.ai SAS	Belive.ai SAS	71.67%[1]
Acquisition in 2023	France	In The Memory SAS	In The Memory SAS	100%
Subsidiary created in 2024	Hong Kong	VusionGroup Limited	VusionGroup Limited	100%

[1] Belive.ai SAS is an indirect subsidiary of VusionGroup SA, 71.67% owned by Captana GmbH

See also Note 24 to the separate financial statements and Section 2.6 of the notes to the consolidated financial statements for further information on the scope of consolidation.

7.9 Documents available to the public

The documents available to shareholders are:

- the Articles of Association;
- the minutes of General Meetings and other corporate documents of the Company;
- the historical financial information;
- any valuation or statement prepared by an expert at the Company's request.

The documents can be consulted at the Company's registered office located at 55, place Nelson Mandela, 92000 Nanterre, France.

Regulated information within the meaning of the provisions of the AMF General Regulation is also available on the Company's website (Company: www.vusion.com).

The information appearing on the websites mentioned in this Universal Registration Document, with the exception of that incorporated by reference, is not part of the Universal Registration Document. As such, this information has not been reviewed or approved by the AMF.


Fruits
& Légumes
ESPAGNE
BONNE AFFAIRE
2€49
Le kg
POIVRON
JAUNE
Catégorie 1
Origine
ESPAGNE

8

Cross-reference table

Cross-reference table for the Universal Registration Document 304
Concordance table of the corporate governance report 312
Concordance table of the annual financial report 314
Concordance table of the management report 315

Cross-reference table for the Universal Registration Document

The following cross-reference table is intended to facilitate access to the sections of the Universal Registration Document, which contain the information referred to in the sections of Annexes I and II of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019.

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
SECTION 1	**PERSONS RESPONSIBLE, THIRD-PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL**		
Item 1.1	Identify all persons responsible for the information or any parts of it, given in the registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	9	320
Item 1.2	A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import. Where applicable, a declaration by those responsible for certain parts of the registration document that, to the best of their knowledge, the information contained in those parts of the registration document for which they are responsible is in accordance with the facts and that those parts of the registration document make no omission likely to affect their import.	9	320
Item 1.3	Where a statement or report attributed to a person as an expert is included in the registration document, provide the following details for that person: (i) name (ii) business address (iii) qualifications (iv) material interest if any in the issuer If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the registration document with the consent of the person who has authorized the contents of that part of the registration document for the purpose of the prospectus.	N/A	N/A
Item 1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	N/A	N/A
Item 1.5	A statement that: (i) the registration document has been approved by the *Autorité des marchés financiers (AMF)*, as competent authority under Regulation (EU) 2017/1129; (ii) the *Autorité des marchés financiers (AMF)* only approves this registration document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; (iii) such approval should not be considered as an endorsement of the issuer that is the subject of this registration document/prospectus.		1

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
SECTION 2	**STATUTORY AUDITORS**		
Item 2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	6.3	283
Item 2.2	If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.	N/A	N/A
SECTION 3	**RISK FACTORS**		
Item 3.1	A description of the material risks that are specific to the issuer, in a limited number of categories, in a section headed "Risk Factors." In each category, the most material risks, in the assessment undertaken by the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risks shall be corroborated by the content of the registration document.	2	30-42
SECTION 4	**INFORMATION ABOUT THE ISSUER**		
Item 4.1	The legal and commercial name of the issuer.	7.8.1	299
Item 4.2	The place of registration of the issuer, its registration number and legal entity identifier ("LEI").	7.8.2 ; 7.8.4	299
Item 4.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	7.8.3	299
Item 4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business, if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	7.8.4	299
SECTION 5	**BUSINESS OVERVIEW**		
Item 5.1	Principal activities	1 ; 5	3-25 ; 228-237
Item 5.1.1	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information.	1 ; 5	3-25 ; 228-237
Item 5.1.2	An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services, has been publicly disclosed, give the status of their development.	N/A	N/A
Item 5.2	Principal markets A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial information.	1 ; 5	22-23 ; 228-237
Item 5.3	The important events in the development of the issuer's business.	1	9
Item 5.4	Strategy and objectives A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description shall take into account the issuer's future challenges and prospects.	1	18
Item 5.5	If material to the issuer's business or profitability, summary information regarding the extent to which the issuer is dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes.	1 ; 2.1.3.1	21 ; 40
Item 5.6	The basis for any statements made by the issuer regarding its competitive position.	1	4

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
Item 5.7	Investments	5.1.3	232
5.7.1	Describe the significant investments (including their amount) made by the issuer during each financial year of the period covered by the historical financial information, up to the date of the registration document.	5.1.3	232
5.7.2	Describe all significant investments of the issuer that are ongoing or for which firm commitments have already been made, including their geographic distribution (domestic and foreign) and their method of financing (internal or external).	5.1.3	232
5.7.3	To provide information on joint ventures and companies in which the issuer holds a share of capital that may have a material impact on the valuation of its assets and liabilities, financial position or results.	5.1.3	232
5.7.4	Describe any environmental issues that may affect the issuer's use of its property, plant and equipment.	5.1.3	232
SECTION 6	**ORGANIZATIONAL STRUCTURE**		
Item 6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organizational structure if this helps to clarify the structure.	1	10
Item 6.2	A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.	6.1.2 II.6 ; 7.8.6	263 ; 300
SECTION 7	**REVIEW OF FINANCIAL POSITION AND PROFITS AND LOSSES**		
Item 7.1	Financials	5.1	229-234
Item 7.1.1	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes. The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business. To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.	5.1.2	230-232
Item 7.1.2	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, the review shall also give an indication of: (a) the issuer's likely future development; (b) activities in the field of research and development. The requirements set out in item 7.1 may be satisfied by the inclusion of the management report referred to in Articles 19 and 29 of Directive 2013/34/EU of the European Parliament and of the Council	N/A	N/A
Item 7.2	Operating results	5.1.2	230-232
Item 7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments materially affecting the issuer's income from operations and indicate the extent to which income was so affected.	5.1.2	230-232
Item 7.2.2	Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.	N/A	N/A

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
SECTION 8	**CAPITAL RESOURCES**		
Item 8.1	Information concerning the issuer's capital resources (both short term and long term).	7.1	290-294
Item 8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flow.	5.1.4 ; 6.1.1	233 ; 241
Item 8.3	Information on the borrowing requirements and funding structure of the issuer.	5.1.1	229-230
Item 8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	N/A	N/A
Item 8.5	Information regarding the anticipated sources of funds needed to fulfill commitments referred to in item 5.7.2.	5.1.1	229-230
SECTION 9	**REGULATORY ENVIRONMENT**		
Item 9.1	A description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	1	26-27
SECTION 10	**TREND INFORMATION**		
Item 10.1	A description of: (i) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document (ii) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document, or provide an appropriate negative statement.	5.3	234
Item 10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	5.4	234
SECTION 11	**PROFIT FORECASTS OR ESTIMATES**	**N/A**	**N/A**

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
SECTION 12	**ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT**		
Item 12.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer: (i) members of the administrative, management or supervisory bodies (ii) partners with unlimited liability, in the case of a limited partnership with a share capital (iii) founders, if the issuer has been established for fewer than five years (iv) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business Details of the nature of any family relationship between any of the persons referred to in points (i) to (iv). In the case of each member of the administrative, management or supervisory bodies of the issuer and of each person referred to in points (ii) and (iv) of the first subparagraph, details of that person's relevant management expertise and experience and the following information: (i) the names of all companies and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies (ii) details of any convictions in relation to fraudulent offences for at least the previous five years (iii) details of any bankruptcies, receiverships, liquidations or companies put into administration in respect of those persons described in points (i) and (iv) of the first subparagraph who acted in one or more of those capacities for at least the previous five years (iv) details of any official public incrimination and/or sanctions involving such persons by statutory or regulatory authorities (including designated professional bodies), and whether they have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years If there is no such information required to be disclosed, a statement to that effect is to be made.	3.1.1 ; 3.1.2 ; 3.1.4	51-73 ; 82
Item 12.2	Administrative, management and supervisory bodies and senior management conflicts of interest Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 12.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts of interest, a statement to that effect must be made. Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 12.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management. Details of any restrictions agreed by the persons referred to in item 12.1 on the disposal within a certain period of time of their holdings in the issuer's securities.	3.1.4	82

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
SECTION 13	**COMPENSATION AND BENEFITS**		
Item 13.1	The amount of compensation paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person. That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.	3.2.1	86-95
Item 13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits.	3.2.1.1	88
SECTION 14	**BOARD PRACTICES**		
Item 14.1	Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.	3.1.2.2	54
Item 14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.	3.1.6	84
Item 14.3	Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	3.1.3.2 ; 3.1.3.3	76-81
Item 14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.	3.1.7	85
Item 14.5	Potential material impacts on the corporate governance, including future changes in the board and committees' composition (insofar as this has been already decided by the board and/or shareholders meeting).	N/A	N/A
SECTION 15	**EMPLOYEES**		
Item 15.1	Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.	4.3.1.7 ; 6.2.2 note 18	189-190 ; 277
Item 15.2	Shareholdings and stock options With respect to each person referred to in points (i) and (iv) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.	3.2.1.2 ; 7.1.3 ; 7.1.4	90-91 ; 292-294
Item 15.3	Description of any arrangements for involving the employees in the capital of the issuer.	7.2	294
SECTION 16	**MAJOR SHAREHOLDERS**		
Item 16.1	Insofar as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest as at the date of the registration document. If there are no such persons, an appropriate statement to the effect that no such person exists.	7.1.1	290
Point 16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.		
Point 16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom, describe the nature of such control and describe the measures in place to ensure that such control is not abused.	3.3 ; 7.1.1	104-105 ; 290-291
Point 16.4	A description of any arrangements known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	N/A	N/A

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
SECTION 17	**RELATED PARTY TRANSACTIONS**		
Point 17.1	Details of related party transactions (which for these purposes are those set out in the Standards adopted in accordance with the Regulation (EC) No 1606/2002 of the European Parliament and of the Council that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002, if applicable. If such standards do not apply to the issuer, the following information must be disclosed: (i) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded under market conditions, explain why. In the case of outstanding loans, including guarantees of any kind, indicate the amount outstanding (ii) the amount or the percentage to which related party transactions form part of the revenue of the issuer	6.1.2 II.5 Note 29 ; 3.1.6	262 ; 84
SECTION 18	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**		
Item 18.1	Historical financial information	7.9	301
Item 18.2	Interim and other financial information	N/A	N/A
Item 18.3	Auditing of historical annual financial information	N/A	N/A
Item 18.4	Pro forma financial information	N/A	N/A
Item 18.5	Dividend policy	7.5	296
Item 18.6	Legal and arbitration proceedings	N/A	N/A
Item 18.7	Significant change in the issuer's financial position	N/A	N/A
SECTION 19	**ADDITIONAL INFORMATION**		
Item 19.1	Share capital The information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet:	6.2	275
Item 19.1.1	The amount of issued capital, and for each class of share capital: (i) the total of the issuer's authorized share capital; (ii) the number of shares issued and fully paid and issued but not fully paid; (iii) the par value per share, or that the shares have no par value; and (iv) a reconciliation of the number of shares outstanding at the beginning and end of the year If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.	7.1.1	290
Item 19.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	N/A	N/A
Item 19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	5.1.4	233
Item 19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	7.1.3 ; 7.1.4	292-294
Item 19.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital.	N/A	N/A

Section	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
Item 19.1.6	Information about the capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options, including those persons to whom such options relate.	N/A	N/A
Item 19.1.7	A history of share capital, highlighting information about any changes for the period covered by the historical financial information.	7.7	299
Item 19.2	Memorandum and Articles of Association	7.8	299-300
Item 19.2.1	The register and the entry number therein, if applicable, and a brief description of the issuer's objects and purposes and where they can be found in the up-to-date memorandum and articles of association.	7.8	299-300
Item 19.2.2	Where there is more than one class of existing shares, a description of the rights, privileges and restrictions attached to each class.	N/A	N/A
Item 19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	3.3	104
SECTION 20	**MATERIAL CONTRACTS**		
Item 20.1	A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the registration document. A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the registration document.	3.6.1	107-109
SECTION 21	**DOCUMENTS AVAILABLE**	**7.9**	**301**

Concordance table of the corporate governance report

In order to facilitate the reading of this Universal Registration Document, the following concordance table makes it possible to identify the information composing the Corporate Governance Report referred to in Articles L22-10-10 et seq., L 225-37 and L 225-37-4 of the French Commercial Code.

	Content	Section(s) From the Corporate Governance Report	Page(s)
1	**Compensation Information**		
1.1	Remuneration policy for corporate officers (C. com. Art. L. 22-10-8, I al 2)	3.2.2	96-102
1.2	Remuneration and benefits of any kind paid during the financial year to the corporate officers (C. com. Art. L. 22-10-9, I 1°)	3.2.1	86-95
1.3	Relative proportion of fixed and variable remuneration (C. com. Art. L. 22-10-9, I 2°)	3.2.1.1 ; 3.2.1.2	86 ; 88-89
1.4	Use of the possibility of claiming variable remuneration (C. com. Art. L. 22-10-9, I 3°)	3.2.2.4	102
1.5	Commitments made for the benefit of corporate officers (C. com. Art. L. 22-10-9, I 4°)	3.2.1.2	90
1.6	Remuneration paid or granted by a commitment included in the scope of consolidation (C. com. Art. L. 22-10-9, I 5°)	N/A	N/A
1.7	Ratios between executive compensation and the compensation of employees other than corporate officers (C. com. Art. L. 22-10-9, I 6°)	3.2.1.3	93
1.8	Evolution of the remuneration, the Company's performance, the average remuneration of non-executive employees and the ratios designated above (C. com. Art. L. 22-10-9, I 7°)	3.2.1.3	94
1.9	Explanation of how the total remuneration complies with the policy adopted on remuneration (C. com. Art. L. 22-10-9, I 8°)	3.2.1	86
1.10	Explanation of how the vote cast at the last General Meeting of Shareholders pursuant to Article L. 22-10-34 of the French Commercial Code was taken into account (C. com. Art. L. 22-10-9, I 9°)	3.2.1	86
1.11	Possible deviation from the procedure for the application of the remuneration policy and possible waiver applied (C. com. Art. L. 22-10-9, I 10°)	N/A	N/A
1.12	Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code relating to the suspension of the remuneration of the Board of Directors in the event that the parity rules are not respected (C. com. Art. L. 22-10-9, I 11°, L. 225-68, L.225-45)	N/A	N/A
1.13	Grant and retention of stock options by the corporate officers (C. com. Art. L.225-185) Allocation and retention of free shares to executive officers (C. com. Art. L.225-197-1 and L22-10-59)	3.2.2.4	99-101
2	**Governance Information**		
2.1	List of the positions or functions of director held by each director during the last tax year (C. com. Art. L. 225-37-4, 1°)	3.1.2.6	60-67
2.2	Regulated agreements (C. com. Art. L. 225-37-4, 2°)	3.1.6.3	84
2.3	Table of delegations granted to the Board of Directors by general meetings of shareholders and use of these delegations (C. com. Art. L. 225-37-4, 3°)	3.4	105
2.4	Distinction made or not between the Chief Executive Officer and the Chairman of the Board of Directors (C. com. Art. L. 225-37-4, 4°)	3.1.1.1	51
2.5	Composition of the Board of Directors, condition for the preparation and organization of the Board's work (C. com. Art. L. 22-10-10, 1°, L225-68)	3.1.2	53-72

	Content	Section(s)	Page(s)
		From the Corporate Governance Report	
2.6	Application of the balance in the representation of women and men on the Board of Directors (C. com. Art. L. 22-10-10, 2°, L225-68).	3.1.2.4	56
2.7	Limitations on the powers of the Director General (C. com. Art. L. 22-10-10, 3°)	3.1.1.1	52
2.8	Corporate governance code to which the Company adheres, including the details to be complied with or explained (C. com. Art. L. 22-10-10, 4°, L22-10-20)	3 ; 3.1.7	50 ; 85
2.9	Participation of shareholders in the general meeting (C. com. Art. L. 22-10-10, 5°)	3.5	106
2.10	Procedure for the evaluation of current agreements - implementation (C. com. Art. L. 22-10-10, 6°)	3.1.6.1	84
2.11	Internal control and risk management procedure put in place by the company and the Group (C. com. Art. L. 22-10-10, 7°)	2.2.2	43-47
2.12	Elements likely to have an impact in the event of a takeover bid or exchange (C. com. Art. L. 22-10-11)	3.3	103-104

Concordance table of the annual financial report

In order to facilitate the reading of this document, and in accordance with Article 222-3 of the General Regulations of the Autorité des Marchés Financiers, the following concordance table facilitates the identification of the constituent elements of the Annual Financial Report referred to in point I of Article L. 451-1-2 of the Monetary and Financial Code described on the following pages of the Universal Registration Document:

	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
1	**Attestation of the person responsible for the Universal Registration Document**	**9**	**320**
2	**Management's Discussion and Analysis**	**See concordance table of the Management Report below**	
3	**Consolidated financial statements**	**6.1**	**241-263**
4	**Corporate Governance Report**	**See concordance table of the Corporate Governance Report above**	
5	**Annual accounts**	**6.2**	**264-279**
6	**Statutory auditors' report on the consolidated financial statements**	**6.3**	**280-283**
7	**Statutory auditors' report on the annual financial statements**	**6.3**	**284-287**

Concordance table of the management report

In order to facilitate the reading of this document, the following concordance table makes it possible to identify the information that must be included in the Management Report, in accordance with the provisions of the French Commercial Code applicable to public limited companies with a board of directors.

	Content	Section(s) of the Universal Registration Document	Page(s) of the Universal Registration Document
1	**SITUATION AND ACTIVITY OF THE GROUP**		
1.1	Situation of the Company during the past financial year and objective and exhaustive analysis of the evolution of the business, results and financial situation of the Company and the Group, in particular its debt situation, with regard to the volume and complexity of business (C. com. Art. L. 232-1 II-1°, L. 233-6 and L. 233-26)	1 ; 5	4-5 ; 228-237
1.2	Foreseeable evolution of the Company's and the Group's situation and future prospects (C. com. Art. L. 232-1, II 1° and L. 233-26)	5.4	234
1.3	Significant events that have occurred since the closing date (C. com. Art. L. 232-1-II 1° and L. 233-26)	5.3	234
1.4	Research and development activities (C. com. Art. L. 233-26 and L. 232-1, II 2°)	6.1.2	261
1.5	Existing branches (C. com. Art. L. 232-1 II 3°)	N/A	N/A
1.6	Key performance indicators of a financial nature (C. com. Art. L. 232-1, II-4°)	1 ; 5	4-5 ; 228-237
1.7	Essential intangible resources (C. com. Art. L. 232-1, II-7°)	N/A	N/A
1.8	Information on the acquisition of shareholdings or control in companies having their registered office in the territory of the French Republic (C. com. Art. L. 233-6 para. 1)	7.8.6	300
1.9	Identity of the main shareholders and holders of voting rights at the General Meetings and changes made during the financial year (C. com. Art. L. 233-13)	7.1.1	290
1.10	Disposal of cross-shareholdings (C. com. Art. L. 233-29, L. 233-30 and R. 233-19)	N/A	N/A
1.11	Information on payment terms for suppliers and customers (C. com. Art. D. 441-6)	5.5	236
1.12	Table of the Company's results over the last five fiscal years (C. com. art. R. 225-102)	5.5	236-237
1.13	Amount of inter-company loans granted and declaration of the Statutory Auditors (CMF. Art. L. 511-6 and R. 511-2-1-3)	N/A	N/A
2	**INTERNAL CONTROL AND RISK MANAGEMENT**		
2.1	Description of the main risks and uncertainties (L. 232-1 II 5° of the French Commercial Code)	2.1	30-42
2.2	Objectives and policy of hedging and exposure to price, credit, liquidity and liquidity risks (L.232-1 II 6° of the Commercial Code)	2.2	43
2.3	The impact of the company's activities on the fight against tax evasion (C. com. Art. L. 22-10-35 1°)	N/A	N/A
2.4	Actions aimed at promoting the link between the Nation and its armed forces and supporting enlistment in the reserves of the National Guard (C. com. Art. L. 22-10-35 2°)	N/A	N/A
2.5	Policy to combat corruption and acts of corruption (Law No. 2016-1691 of 9 December 2016, known as "Sapin 2")	2.1.3.3	41
2.6	Vigilance plan and report on its effective implementation (C. com. Art. L. 225-102-4)	N/A	N/A
3	**CORPORATE GOVERNANCE REPORT**	**See Concordance table of the Corporate Governance Report above**	

	Content	Section(s)	Page(s)
		of the Universal Registration Document	
4	**SHAREHOLDING AND CAPITAL**		
4.1	Structure, evolution of the Company's capital and crossing of thresholds (C. com. Art. L. 233-13)	7.1.1 -7.1.2	290 ; 291-292
4.2	Purchases and sales by the Company of treasury shares during the past financial year (C. com. Art. L. 225-211 para. 2)	7.6	296-298
4.3	Statement of employee participation in the share capital (C. com. Art. L. 225-102 para. 1)	7.2	294
4.4	Elements for calculating any adjustments in the event of the issuance of securities giving access to the capital (C. com. Art. R. 228-90 and R. 228-91)	N/A	N/A
4.5	Transactions carried out by the Company's directors, corporate officers and other related persons (C. com. Art. L.621-18-2)	3.1.5	83
4.6	Amount of dividends distributed for the last three financial years (CGI art. 243 bis)	7.5	296
5	**SUSTAINABILITY INFORMATION**		
5.1	Business model (C. com. art. L.232-6-3, and Art. R.232-8-4, I-1°)	4.1.3 ; 4.1.4	122-134
5.2	Environmental information (societal commitments in favour of sustainable development, subcontracting and suppliers, fair practices) (C. com. art. R.232-8-4, I 2°)	4.2	144-179
5.3	The role of the management, administrative or supervisory bodies in relation to sustainability issues, as well as the skills, expertise or opportunities offered to them in this regard (C. com. Art. R.232-8-4, I 3°)	4.4	202
5.4	Results of the policies applied by the company or the Group, including key performance indicators (C. com. art. R.232-8-4, I 4°)	4.3	180-201
5.5	The incentives related to sustainability issues granted by the company to corporate officers and members of the board of directors (C. com. art. R.232-8-4, I 5°)	4.1.2	115-118
5.6	The due diligence procedure implemented by the company regarding the sustainability issues and adverse impacts identified in this context (C. com. art. R.232-8-4, I 6°)	4.1.2.4	120
5.7	Information on the effects of the activity on the respect of human rights and the fight against corruption and tax evasion, and the way in which the company or the Group takes into account the social and environmental consequences of its activity (description of the policies applied and due diligence procedures implemented to prevent, identify and mitigate the main risks related to the company's or Group's activity) (C. com. art. R.232-8-4, I 7°)	4.3.1.3 ; 4.3.2	181-182 ; 196-199
5.8	Description of the main risks related to the activity of the company or the Group, including, where relevant and proportionate, risks created by business relationships, products or services (C. com. art. R.232-8-4, I 8°)	4.1.4 ; 4.3.2 ; 4.4.2	129 ; 196 ; 207-210
5.9	Description of the process used to determine sustainability information (C. com. Art. R232-8-4, II)	4.1.1	112

9

Statement from the person responsible for the report

"I certify that the information contained in this universal registration document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import."

“I hereby certify that, to the best of my knowledge, the annual and consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and the profits or losses of the company and all companies included in the consolidation, that the management report, the cross-reference table of which is provided in Chapter 8, presents a true and fair view of the development of the business, results and financial position of the Company and of all consolidated companies, as well as a description of the main risks and uncertainties with which they are exposed and that it has been prepared in accordance with the applicable sustainability reporting standards.”

Nanterre, April 30th 2025

Mr Thierry GADOU
Chairman & Chief Executive Officer

Glossary

- **Access point (AP):** An access point (AP) is a networking device that allows any object, smartphone, computer or device to connect to the Internet. It allows wireless devices to connect to a wired network to join the Internet. In general, an access point connects, in particular via Wi-Fi, to a switch, or to a wired network.
- **AI (Artificial Intelligence):** Artificial intelligence is a field of computer science that focuses on the development of computer systems capable of performing tasks that generally require human intelligence, such as natural language understanding, pattern recognition, decision-making and data-driven learning.
- **BLE (Bluetooth Low Energy):** is a wireless technology designed for devices with low energy consumption while maintaining a communication range similar to that of traditional Bluetooth. The advantage of BLE is the efficient use of energy in battery-powered devices.
- **Cloud:** The term cloud covers all remote storage solutions. Instead of being stored on hard drives or local memory, data is available on remote servers and accessible internally. For this purpose, the various stakeholders have gigantic fields of storage servers located in data centers.
- **Cloud computing:** Cloud computing is the practice of using remote computer servers hosted on the Internet to store, manage and process data, rather than a local server or personal computer.
- **Computer Vision:** A field of artificial intelligence (AI) that allows computers and systems to focus on the acquisition, processing and analysis of digital images or videos to extract information or make decisions.
- **Core appliance:** Server.
- **DTP labels (Dual Transistor Pixel):** DTP labels use a dual-transistor pixel, a patented process that demonstrates additional expertise in low-energy displays.
- **Easylock:** Easylock is a security system that protects electronic shelf labels (ESL).
- **EasyLock fixing system:** see Easylock.
- **EasyLock security system:** see Easylock.
- **Eco-design or modular design:** Eco-design consists of integrating environmental protection into the design of goods or services. It aims to reduce the environmental impacts of products throughout their life cycle: extraction of raw materials, production, distribution, use and end-of-life.
- **Electronic Manufacturing Services or EMS:** EMS are electronic component and module manufacturing services.
- **Electronic paper:** See EDP.
- **EPD (Electronic Paper Display):** EPD or electronic paper is a display technique on flexible, electronically modifiable medium, seeking to imitate the appearance of a printed sheet and which, like paper, does not require energy to leave a text or an image displayed. After applying the correct electrical charge, an EPD creates high-resolution images with the same level of contrast and readability as a printed medium. Once the text and images are visible, the EPD no longer needs energy to maintain the display (bi-stable technology).
- **Electronic shelf label or ESL or smart labels:** An ESL is a label in the form of a small electronic box and allowing a digital display of the price. The ESL allows automatic and remote updating of prices by radio waves without manipulation within the shelves. The ESL makes it possible to avoid a difference between the price displayed and the price at check-out since the price update is centralized and distributed at the same time to the checkouts and labels.
- **e-paper:** See EDP.
- **ESL Second life:** ESL Second life is an electronic label recycling program, based on the eco-design and repairability of our products, extending the lifespan of ESLs.
- **GDPR:** The General Data Protection Regulation (GDPR) is a European regulatory text that governs the processing of data on an equal basis throughout the European Union (EU). It came into force on May 25, 2018.
- **Infra-LESS:** Embedded IoT protocol.
- **IoT (Internet of Things):** IoT, or Internet of Things, refers to the process of connecting physical objects (screen, printed circuit board, plastic frame, etc.) to the Internet.
- **IoT operating system / solution:** see IoT
- **ISO 27001 standard:** ISO 27001 is the international standard describing best practices to be followed in the creation of an information security management system.
- **ISO 9001 standard:** ISO 9001 defines the structural and organizational requirements necessary for the creation of an efficient and effective management system. This standard gives companies a regulatory framework that allows them to approach their management with a systematic approach to production processes in line with their customers' expectations and customer satisfaction.
- **LCD Display (Liquid Crystal Display):** The LCD display allows the creation of flat screens with low electricity consumption. These screens are used in almost all electronic displays.

- **LSA award (*Libre Service Actualités*):** *Libre Service Actualités* is a French weekly professional magazine dedicated to current events and the analysis of trends in the grocery industry, retail, mass distribution and consumption. Each year, LSA rewards the best innovations of French and European consumer goods companies, manufacturers, distributors and service providers, which innovate in their approaches, business lines, concepts or products.
- **NFC (Near field communication):** Near field communication 1,2, often referred to by its acronym NFC, is a short-range and high-frequency wireless communication technology, allowing the exchange of information between devices up to a distance of approximately 10 cm in the general case. This technology is an extension of the ISO/CEI 14443 standard standardizing proximity cards using radio-identification (RFID) which combine a smart card and a drive within a single device.
- **NFC-tag label:** An electronic NFC-tag label is a label equipped with NFC microchips for the purpose of sharing information or performing actions when a device equipped with an NFC reader falls within their scope of action.
- **Perifem Award:** Perifem is a professional association that brings together the main grocery and specialized retailers, developers, shopping center managers and their solution partners. It is a recognized contact for public authorities in its areas of expertise (sustainable development, safety, etc.). It aims to highlight projects implemented or projects for the future in Perifem's three areas of activity: Energy / Environment, Security / Safety and Technological Innovation.
- **Picking:** Picking or order preparation is the operation that consists of picking and collecting the items in the quantity specified by the order before it is shipped.
- **Printed Circuit Board or PCB or printed circuit:** A printed circuit is a support for electrically holding and connecting a set of electronic components to each other, in order to produce a complex electronic circuit. It is also referred to as an electronic card.
- **Product positioning system or PPS:** Product positioning is the process of determining the position of new products in the minds of consumers.
- **Retail Media:** The term "Retail Media" refers to an advertising approach in which retailers offer advertising services, effectively using their store or e-commerce site as a platform to deliver highly targeted advertising.
- **RMA (Merchandise Authorization):** This is a procedure used by manufacturers or retailers to manage the return of defective, damaged or unwanted products. The purpose of the RMA is to track the return process and ensure that the customer receives the right service, whether it is a repair, replacement or refund.
- **SAAS (Software as a Service):** The SAAS model is an application software solution hosted in the cloud and operated outside the organization or company by a third party, also known as a service provider. Users typically pay a subscription fee to access the software, which allows them to avoid the costs of purchasing, installing and maintaining traditional software on their own computers.
- **Single point of failure or SPOF:** A single point of failure or SPOF, is a point of a computer system on which the rest of the system is dependent and on which a failure results in a complete shutdown of the system.
- **SKU (Stock keeping unit):** The sales unit, or stock keeping unit, is an essential element in the control and management of warehouse stock. It corresponds to the unique reference number of a product recorded on the company's software and composed of letters and numbers.
- **Smartdetection Flash Evo:** Smartdetection Flash Evo is a unique solution for detecting products in aisles with short expiry dates in stores. This solution eliminates the need to check products individually and spend hours in the aisle to identify and remove soon-to-be-expired products. The solution works via flashing labels, signaling soon-to-be expired products. In less than 4 minutes, more than 500 products can be checked and discounted. In 2021, this solution received multiple awards such as the LSA and Perifem prizes for sustainability.
- **TCO (Total Cost of Ownership):** The Total Cost of Ownership is a financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or service.
- **TFT Display (Thin Film Transistor):** TFT is not strictly speaking a display technology, but is a particular type of transistor that makes it possible to improve image quality. It is most often used in conjunction with LCD displays.
- **VAS (Value Added Services):** Value-added services (VAS) are additional services offered to customers in addition to a basic product or service.
- **V:IoT protocol:** The V:IoT protocol guarantees that there will be no interference with other HF/Wi-Fi networks. The integration of the V:IoT protocol in Wi-Fi equipment makes it possible to pool Wi-Fi infrastructures and ESL.
- **WEEE or Waste electrical and electronic equipment:** WEEE are a category of waste consisting of end of life equipment, powered by electricity or via electromagnetic fields, as well as equipment for the production, transfer and measurement of these currents and fields (these are mainly computers, printers, mobile phones, digital cameras, refrigerators, electronic games, televisions, etc.).

Notes

Notes

This document is printed on Imprim'Vert certified printer
on PEFC certified paper produced from sustainably managed resources.

Designed & published by LABRADOR +33 (0)1 53 06 30 80

Technologies for
Positive Commerce

www.vusion.com