4

Sustainability Statement

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

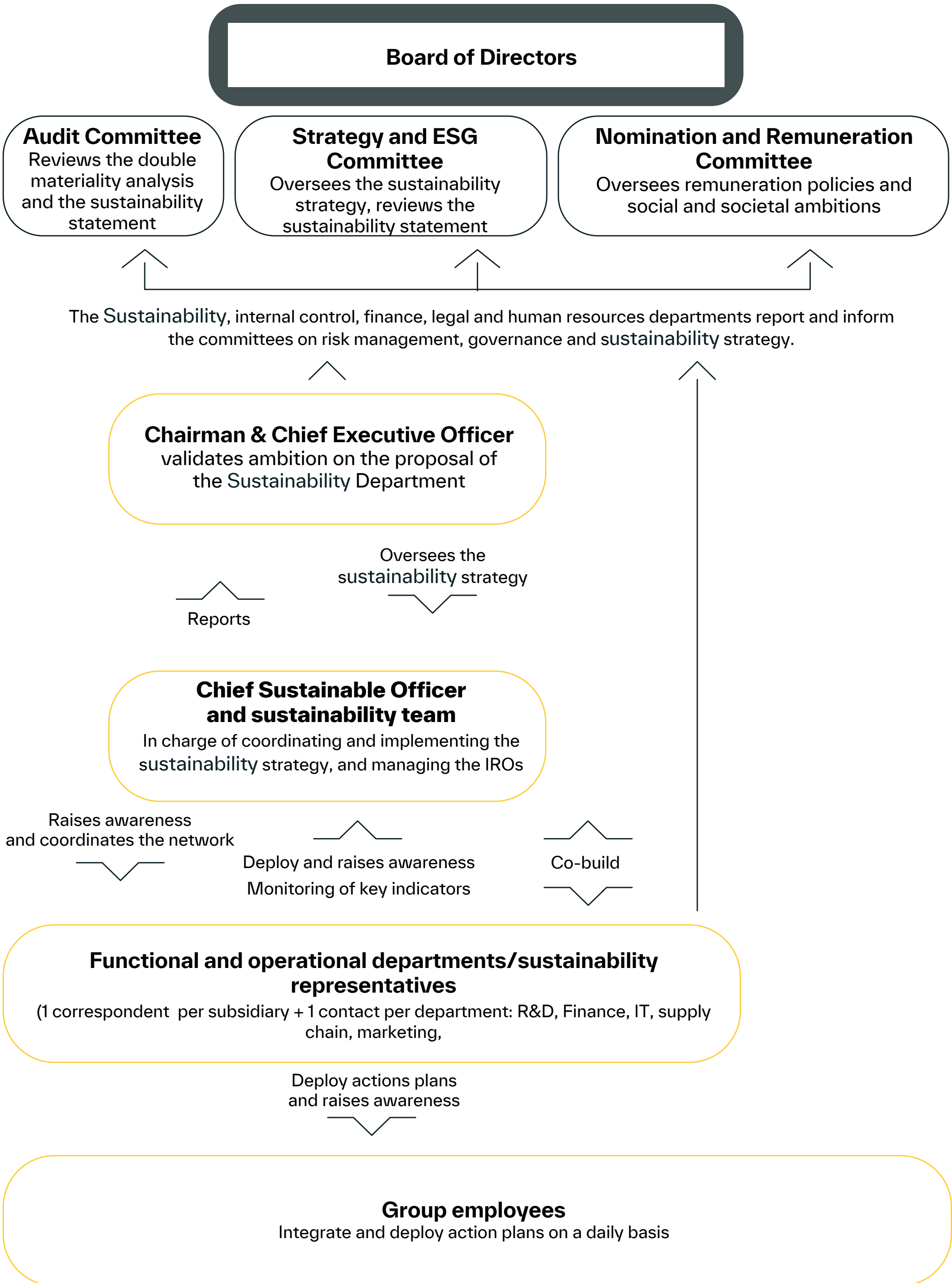
The management of the Company shares the management of material IROs by skill and expertise.

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;


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
Reports
Oversees the sustainability strategy
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

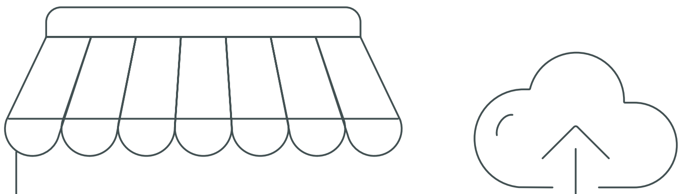
- Global leader - 20 entities worldwide
- Main markets in Europe, the Middle East, and North America

(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

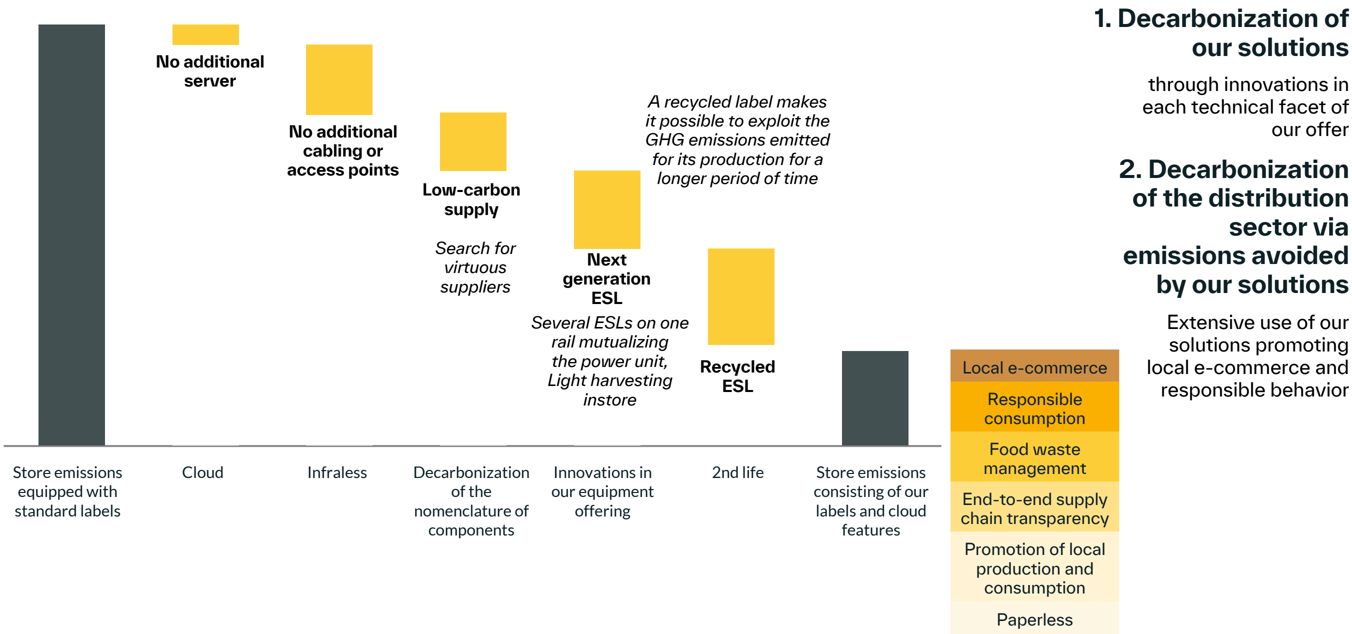
In order to manage the decarbonization goals of its products and services, the Group has, since 2022, developed the comprehensive modeling of its GHG (greenhouse gas) emissions, according to the GHG Protocol methodology, in order to define the objectives of the Group's carbon trajectory, in line with 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:

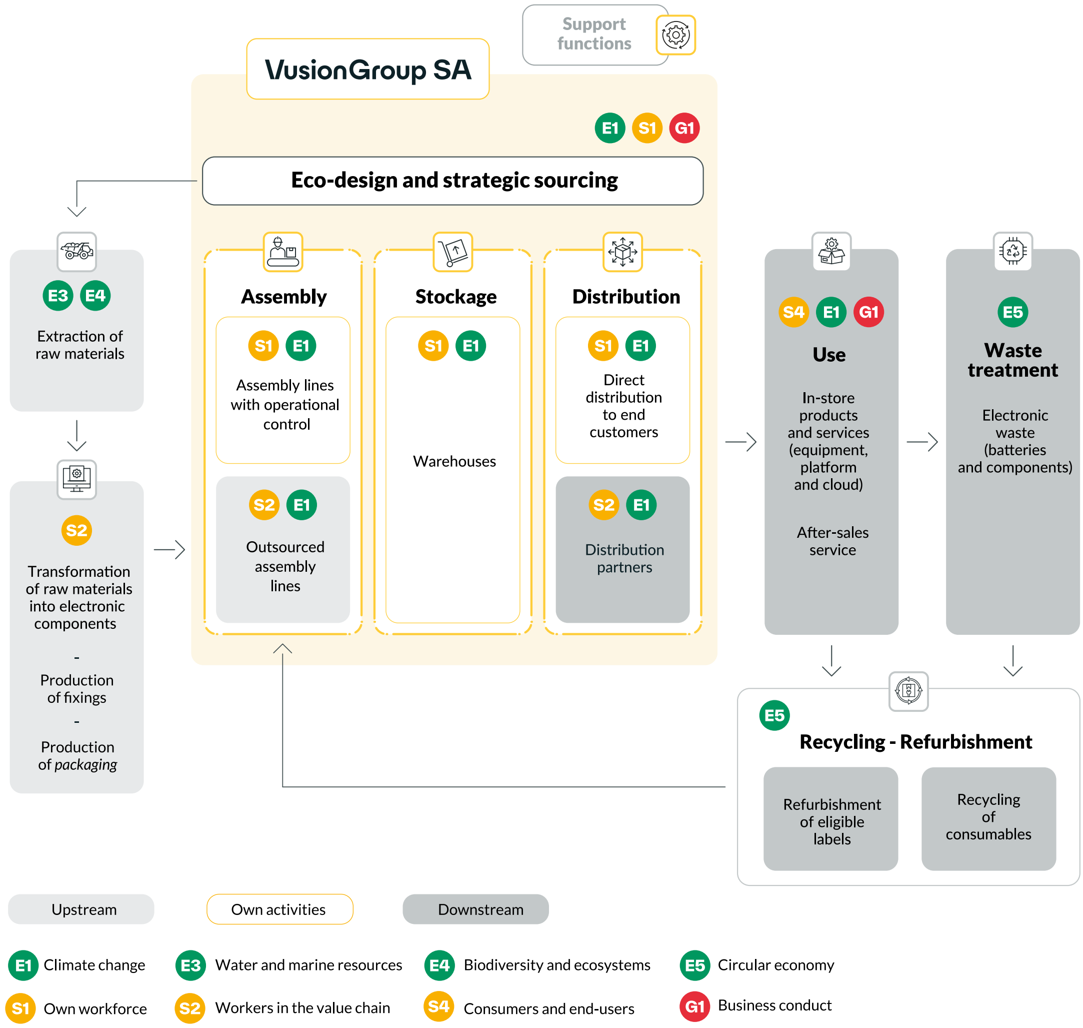
More sustainable retail: an essential contributor to the decarbonization of retail, to achieve the targets set by the Paris Agreements(1)



(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.

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

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

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]

1 2 3 4 5 6 7 8 9

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:

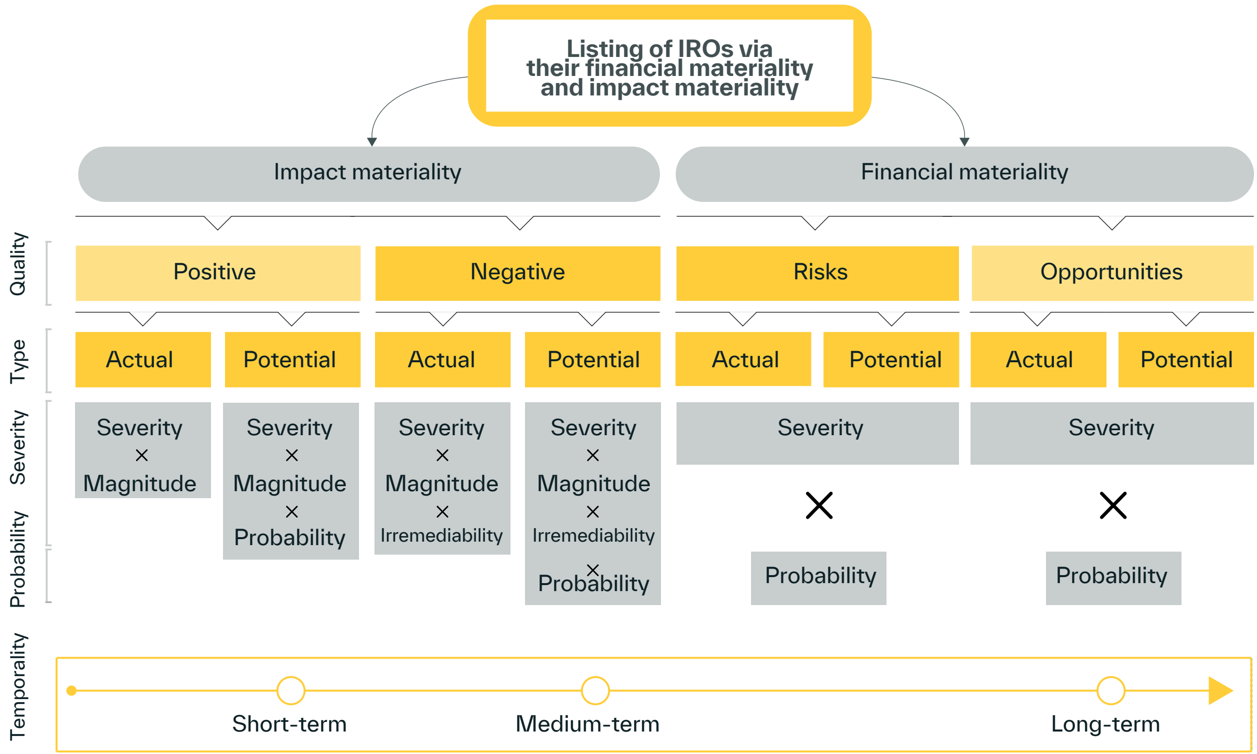
Upstream

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

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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

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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).

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.

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

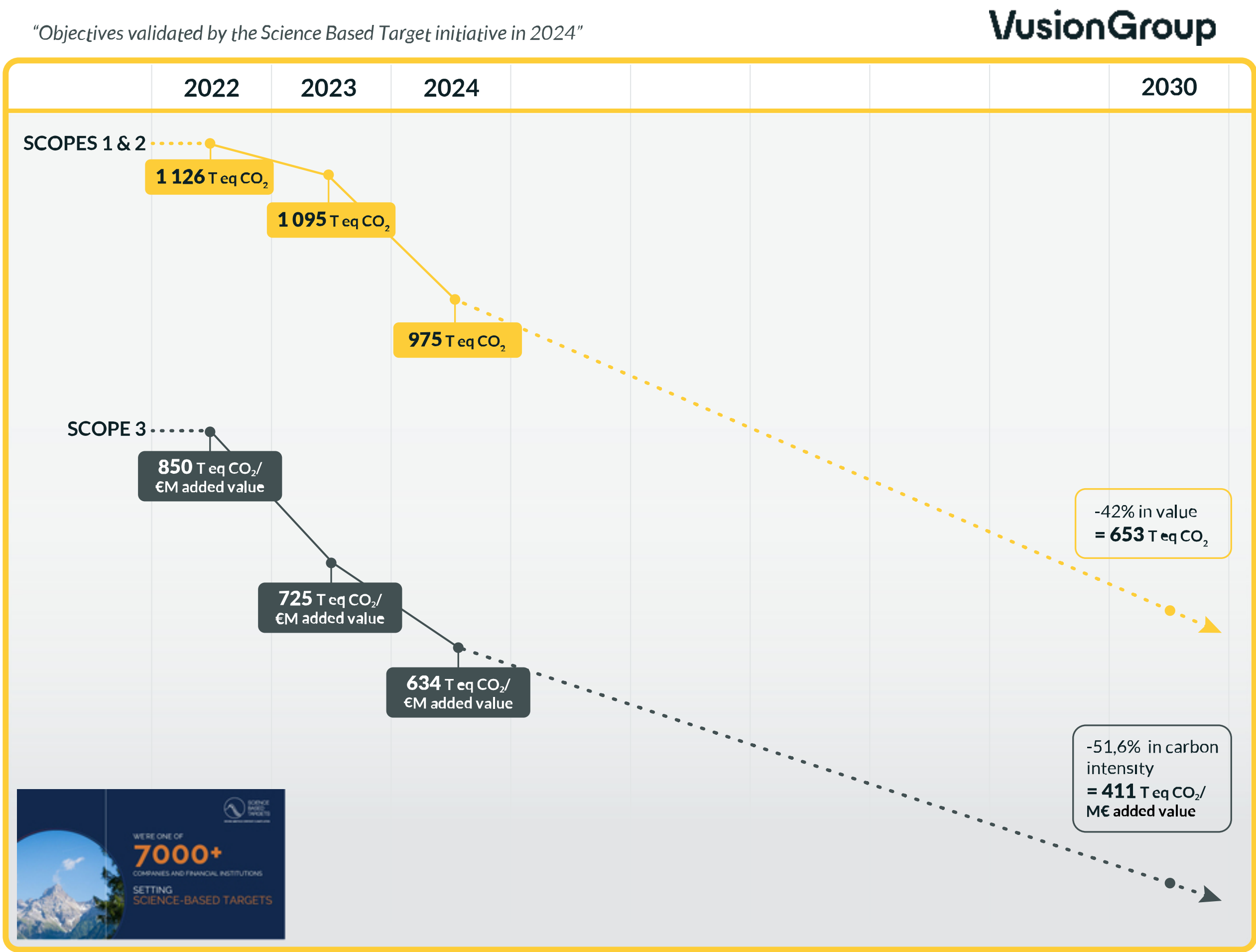


Table of VusionGroup decarbonization targets according to the Science-Based target initiative

	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**

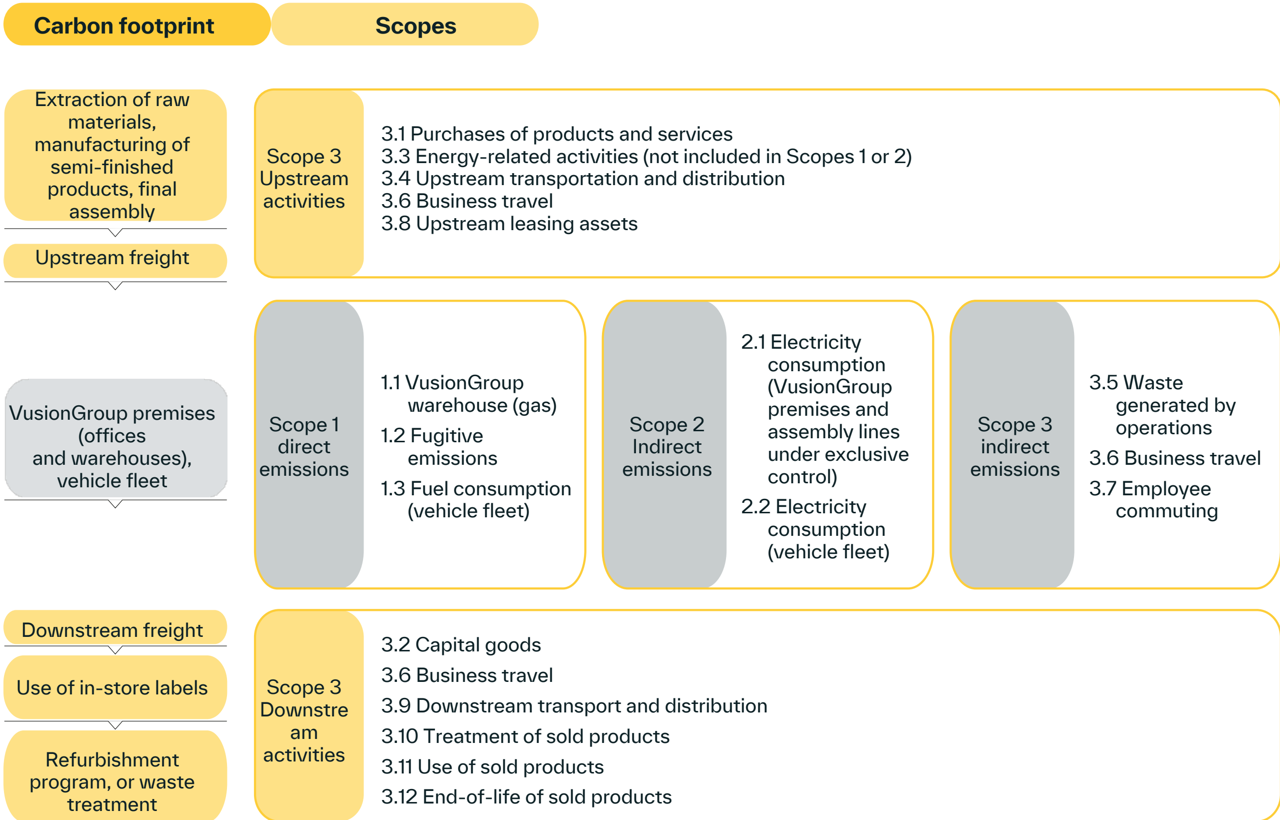
Gross GHG emissions [E1-6]

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.

1 2 3 4 5 6 7 8 9

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.

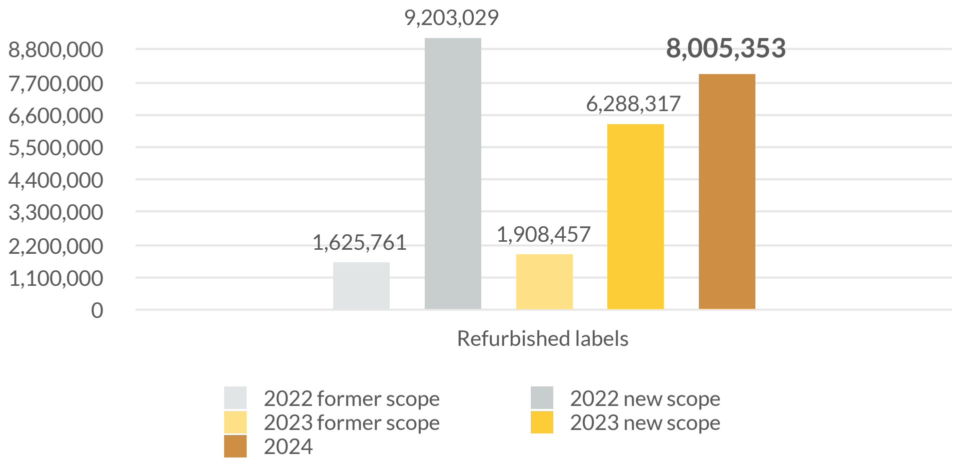
One of the areas for future progress lies in informing customers about the procedure to follow when their label stock has reached the end of its life: the success of the “Second Life” program depends on a few good reflexes and detailed information on the steps to follow for successful refurbishment.

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



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

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

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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

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- 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., apprenticeships), *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]

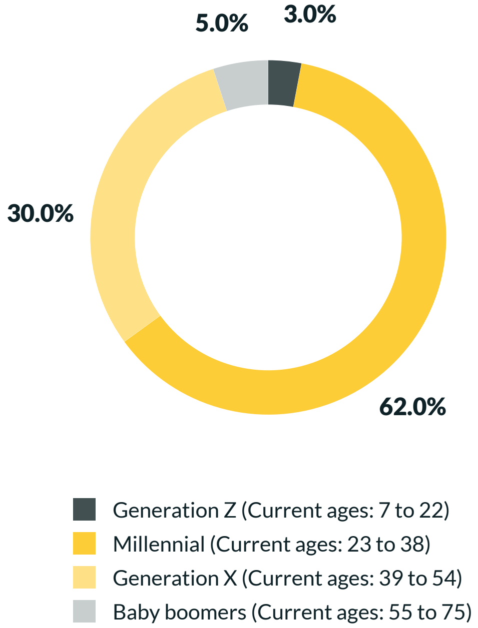
Presence of women in the workforce	**December 31, 2024 %**	**December 31, 2024 Value**	December 31, 2023 %	December 31, 2023 Value	December 31, 2022 %	December 31, 2022 Value
Proportion of women in the workforce	34%	321	33%	281	34%	205
Technical roles held by women	22%	101	19%	82	17%	50
Proportion of 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

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.

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.

1 2 3 4 5 6 7 8 9

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