2023/24

NON-FINANCIAL STATEMENT (NFS)

Société anonyme governed by a Board of Directors with share capital of €87,808,412
Registered office: 396/466, Rue de la Voyette, CRT 2, 59273 Fretin
Registration number: 852 538 461 RCS Lille Métropole

Summary

INTRODUCTION

Government order 2017-1180 of 19 July 2017 and decree 2017-1265 of 9 August 2017 implement Directive 2014/95/EU and amend Article 225 of the French Commercial Code, which requires companies covered by its scope of application to report employee-related, environmental and social information in their management report. The Nacon Group does not fall within the scope of these regulations and is therefore not legally required to prepare a non-financial statement but has decided to do so voluntarily.

The non-financial statement is structured into four parts addressed in the following sections:

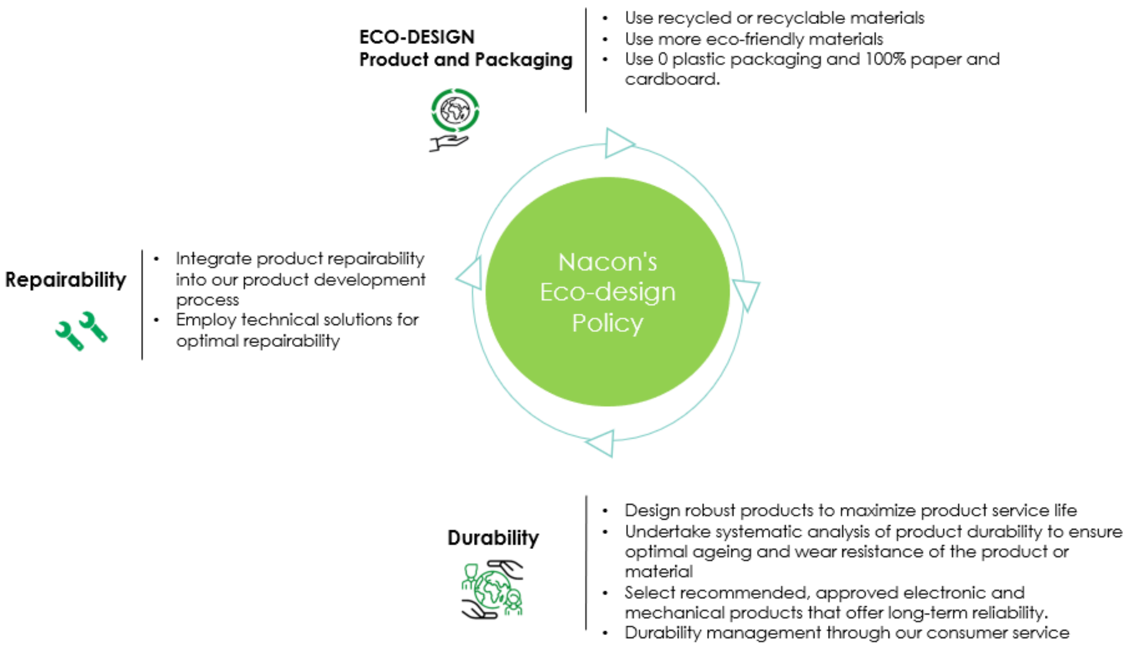
- Description of the Group's business model;
- Description of the key non-financial risks inherent in the Group's business or the use of its products and services, resulting from the materiality analysis performed by the Group;
- Policies implemented to manage those risks;
- Outcome of the policies pursued.

In 2016, Nacon became a member of the UN Global Compact via its parent company Bigben Interactive. On 7 February 2022, Nacon SA joined the Pact in its own name and has therefore made a direct commitment to take measures to incorporate the Ten Principles of the UN Global Compact into its strategy, culture and operations.

Over the last few years, real awareness of CSR has developed within the Group and various measures have been introduced.

In 2022/23, a taskforce was set up to implement a product development process based on three core priorities:

- Ecodesign: maximising use of recycled materials and reducing use of natural minerals;
- Repairability: ensuring optimal repairability of products;
- Durability: looking for ways of extending the life span of accessories.



Corporate Social Responsibility (CSR) Committee

In order to continue with its efforts in terms of protecting the environment and sustainability, as well as those of its employees, customers and partners, Nacon decided to set up a Corporate Social Responsibility (CSR) Committee.

The main role of this committee, created as the result of a decision by the Board of Directors at its meeting of 30 May 2022, is to provide the Board of Directors with advice and support by means of recommendations with regard to Corporate Social Responsibility (CSR), in particular reviewing how Nacon takes account of sustainability concerns in defining its strategy, and the main risks, challenges and opportunities with regard to the environment and social policy.

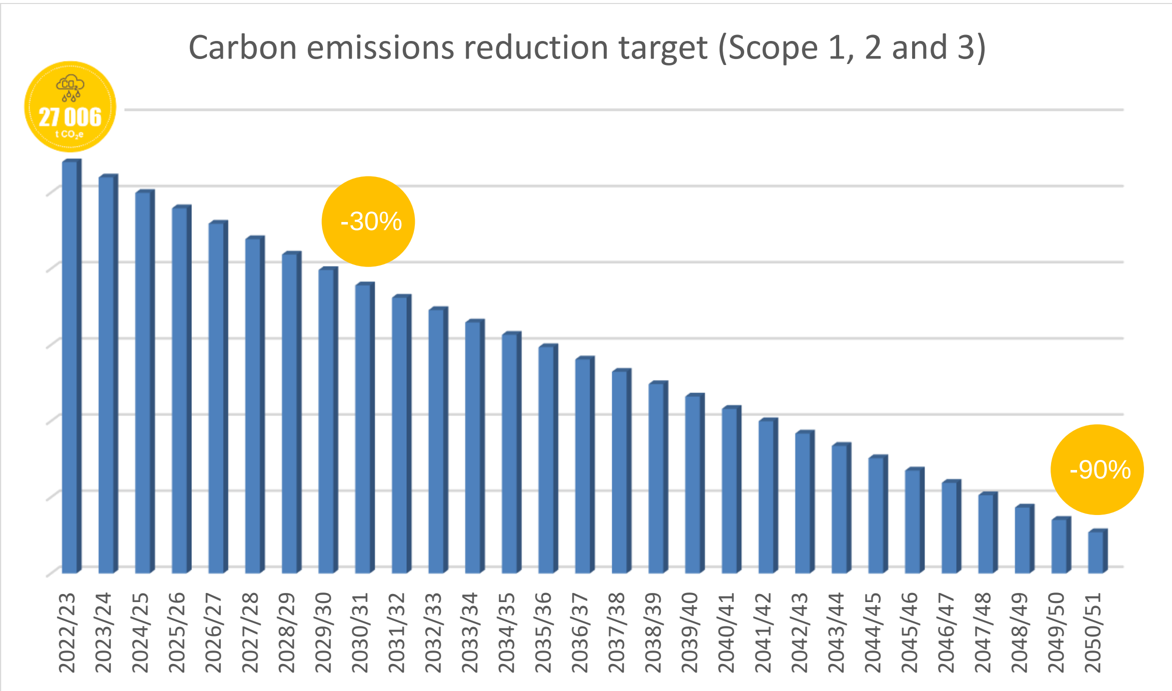
The CSR committee consists of two Board members: Florence Lagrange, independent Board member and Chair of the CSR Committee; and Anne Badot Janssen, also a Board member. In 2023, Florence Lagrange took the “Governance & Climate” Executive Education training programme at University Paris-Dauphine PSL, designed for Board members and company executives.

The following topics are to be discussed at CSR Committee meetings:

- Nacon’s main risks and opportunities in terms of CSR;
- The Group's commitments, strategy and internal management with regard to CSR;
- Dissemination of a corporate culture that encourages each individual to flourish in an environment fostering respect, diversity, inclusion and collective wellbeing.

Carbon neutral by 2050

Aware of the environmental issues faced and its social responsibility, Nacon will ensure that its future operations continue to be carried out with a view towards sustainability. To do this, Nacon is committed to reducing its greenhouse gas emissions gradually in line with the climate scenario of the Paris agreements, with the goal of becoming carbon neutral/net carbon zero by 2050. An initial target has been set to reduce emissions by 30% by 2030 compared with the baseline year of 2022/23.
Emissions for the baseline year were calculated by independent consulting firm O2m.



Contribution to a number of Sustainable Development Goals (SDGs)

The Group aims to ensure that its strategy supports the Sustainable Development Goals adopted by the United Nations in 2015, defining the issues that need to be taken into account to create a more sustainable society. On the basis of the CSR policy implemented several years ago, Nacon endeavours to help to achieve a number of the 17 SDGs:

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS

SUSTAINABLE DEVELOPMENT GOALS

1. BUSINESS MODEL

Section 5 of this document provides detailed information about the Group’s strategy, business activities and business model. Its value creation model is shown in the graphic below:

RESOURCES

Human capital

Over 1,000 employees across 10 countries
6,786 hours of training in 2023/24

Intellectual capital

An experienced and successful R&D team

Production capital

Production capacity of 16 in-house studios and many partner studios capable of developing around 50 games on a continuous basis

Social capital

Many partnerships w ith local organisations (schools, associations, etc.)
A global supplier netw ork
An anti-corruption code of conduct implemented at all subsidiaries

Environmental capital

Purchase of ROHS and REACH compliant products
Hybrid cars made up 35% of Nacon SA's vehicle fleet in 2023/24
30% of electricity used comes from renew able sources

GROWTH STRATEGY

VALUE CREATION

Human capital

282 hires in 2023/24
94% permanent contracts
17% w omen in top management positions

Intellectual capital

Innovative, margin-generating products
Many patents registered

Production capital

80% of games developed in-house

Social capital

Longstanding relationships w ith partners
Sustainable sourcing charter to ensure ethical and sustainable relations w ith suppliers

Environmental capital

Improved product life and repairability

2. CSR POLICY OBJECTIVES

On the basis of its incorporation of CSR concerns into its strategy several years ago and the work of the CSR committee, Nacon has set four core priorities:

- Develop products with a small carbon footprint in order to limit the impact of its operations on climate change;
- Reduce gender inequality and combat all forms of discrimination by only taking account of each individual's skills and motivation;
- Ensure that human rights are respected at all stages of the production chain.
- Development of human capital: Attract and retain talent, train and encourage all employees to flourish

In addition, the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015, defining the issues that need to be taken into account to create a more sustainable society, have become the real benchmark in terms of CSR. In the light of this, the Group aims to ensure that its strategy reflects the goals that it has deemed the most important in relation to its operations.

A "2023-2026 Objectives" roadmap has been drawn up in order to track to the progress made in these various priorities, as summarised in the table below:

CSR target	Indicator	2023-2026 target	Value in 2023/24	Value in 2022/23	SDG contribution
Develop products with a small carbon footprint in order to limit the impact of its operations on climate change	Scope 1, 2 and 3 CO_2 emissions (upstream and downstream emissions)	3.75% per yea	25,336 t -6.2%	27,006 t	
	Scope 1, 2 and 3 CO_2 emissions (upstream and downstream emissions) relative to revenue	-6.0% per year	0.151 t / €'000 of revenue -12.7%	0.173 t / €'000 of revenue	
Limit direct greenhouse gas emissions	Percentage of electricity consumption from renewable sources	40%	30%		
Combat all forms of discrimination by only taking account of each individual's skills and motivation	Average score obtained by Group entities in the Gender Balance Index	>85	90	93	
Ensure that partners comply with the principles of the United Nations Global Compact and promote principles relating to human rights and the environment	Percentage of plants signed up to the sustainable sourcing	100%	100%	100%	
Guarantee management and working conditions that respect human dignity and workers' rights at all stages of the production chain	Percentage of plants with social certification	100%	97%	73%	
Limit the Group's impact on the environment	Percentage of recycled plastic used in manufacturing products	20%	5%		
Work in a safe environment	Frequency of occupational accidents	0	0.5	0	
Improve employees' quality of life and wellbeing in the workplace	Absenteeism rate	< 2.50%	2.96%	2.58%	
Enable every employee to undergo training in order to maintain and develop their skills	Total number of training hours	10,000	6,786	5,634	

3. TABLE OF NON-FINANCIAL RISKS INHERENT IN THE GROUP'S BUSINESS OR THE USE OF ITS PRODUCTS AND SERVICES

The key risks to which the Nacon Group is exposed are presented in Section 3 of its URD. A special focus is placed on the main non-financial risks covering the following areas:

- Employee-related
- Environmental
- Social
- Human rights
- Anti-corruption and tax evasion

In Sections 3 to 8 below of this Section 6 “Non-Financial Statement”, the Group describes how its non-financial risks in each of those areas are addressed by policies and reasonable due diligence procedures, providing key performance indicators where appropriate. Appendix 9 on methodology provides information about how those key performance indicators are calculated.

The relationship between non-financial risks, policies pursued to mitigate them and key performance indicators used to monitor the outcome of those policies are set out in the summary table below.

Non-financial risks, policies and key performance indicators

Type of risk	Description of risk	Policies pursued to manage those risks	Outcome of the policies pursued: Key performance indicators	Unit	SDG contribution
EMPLOYEE-RELATED					
Development of human capital	Departure of talent, management of unsuitable skills and human resources	Employees of all business activities at the heart of the Group companies' human resources policies Flexible working arrangements allowing for a good work-life balance Development of employee shareholding Renovation of several offices including spaces for socialising and relaxation	Total headcount at the end of the year and breakdown by gender	No.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
			Number of joiners	No.	
			Number of leavers	No.	
			Staff turnover (categorised and non-categorised)	%	
			Average compensation per employee	€	
			Average number of training hours per employee	Hours	
			Average number of training programmes per employee	No.	
			% of average headcount trained	%	
Quality of life at work and diversity	Gender inequality, discrimination, deterioration of employee rights and working conditions	The Group endeavours to avoid all forms of discrimination and ensure gender equality in the workplace Measures taken to improve the working surroundings of Group employees	Headcount by gender, category, geographical area, age bracket	No.	
			Number of days absence / Absenteeism	No. / %	
			% of women by responsibility level	%	
			% of employees with disabilities	%	
			Gender balance index	%	
Health and safety of employees and third parties in the workplace	Deterioration of wellbeing at work and health and safety conditions leading to accidents or illness among employees or third parties	Continuous attention to safety standards Adapting work spaces	Number of occupational accidents with time off work	No.	
			Frequency of occupational accidents	%	
			Severity of occupational accidents	%	

Type of risk	Description of risk	Policies pursued to manage those risks	Outcome of the policies pursued: Key performance indicators	Unit	SDG contribution
ENVIRONMENTAL					
Environmental impacts: greenhouse gas emissions	Contribution to climate change through greenhouse gas emissions in all product supply chains: from the manufacturing plant to the end consumer	Circular economy, product recyclability Gradual transition of group car fleets towards hybrid/electric vehicles Optimisation of goods transportation	Scope 1 CO_2 emissions	tCO_2eq	17 PARTNERSHIPS FOR THE GOALS
			Scope 2 CO_2 emissions	tCO_2eq	
			Scope 3 CO_2 emissions	tCO_2eq	
Energy management	Inefficient energy performance leading to excess consumption in buildings No renewable energy sources in energy consumption leading to a negative environmental impact	Sustainable use of resources Limited energy costs	Electricity consumption	kWh	11 SUSTAINABLE CITIES AND COMMUNITIES
			Natural gas consumption	m^3	
			Percentage of electricity from renewable sources	%	
			Water consumption	m^3	
Resource and waste management	High waste production, wastage, failure to factor in the life cycle of resources and raw materials used	Reducing paper and cardboard consumption Circular economy, product recyclability and secondary packaging	Paper and cardboard consumption	kg	13 CLIMATE ACTION
			Amount of paper and cardboard recycled	kg	
SOCIAL / ACTION IN FAVOUR OF HUMAN RIGHTS					
Supplier and service provider management	Failure to comply with sustainable sourcing policies; social, environmental and ethical risks related to the activity of suppliers and subcontractors; dangers for service providers	Careful selection of suppliers (audits of manufacturing plants and selection of transport companies with excellent CSR scores) Membership of the UN Global Compact Adoption of a sustainable sourcing charter	Percentage of plants subject to a social audit	%	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
			Percentage of plants signed up to the sustainable sourcing charter	%	
			Monitoring transport companies' CSR policies	N/A	
			Monitoring the UN Global Compact principles	N/A	
Anti-corruption and tax evasion	Anti-corruption and tax evasion	Actions taken to prevent corruption	Number of alerts received	No.	

4. EMPLOYEE-RELATED RISKS, POLICIES PURSUED AND OUTCOMES

The Group has taken measures to mitigate the three employee-related risks referred to in Section 3.

1.4.1 Development of human capital

The Nacon Group employs creative talent to publish original video games and develop innovative Gaming accessories. As such talent is highly sought after, the Group is exposed to potential poaching from other companies should its skills and human resources management prove inappropriate.

1.4.1.1 General trends in the Group's headcount

Attracting, developing and retaining talent is a key success factor for the Group. It therefore endeavours to give its employees opportunities to progress, learn and develop their skills and expertise.

Nacon had 1,113 employees at end-March 2024 compared with 1,034 at end-March 2023. The headcount increased slightly as a result of the recruitment of new employees at the Group's studios.

TOTAL HEADCOUNT	31/03/2024	31/03/2023	31/03/2022
Total	**1,113**	**1,034**	**852**

1.4.1.2 Joiners and leavers

Special attention is paid to recruiting new employees as they represent a strength for the company in a rapidly evolving business environment.

In 2023/24, 282 employees joined the Group (including 216 on permanent contracts and 76 women) and 203 left, including 74 redundancies. These redundancies relate primarily to the closing down of Daedalic's development department.

CONTRACT TYPE	2023/24			2022/23			2021/22		
Movements during the period	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees joining on permanent contracts	58	158	216	40	166	206	42	136	178
Number of employees joining on fixed-term contracts	15	31	46	17	35	52	17	36	53
Number of apprenticeships or work/study contracts	3	17	20	3	11	14	2	3	5
Total number of joiners	**76**	**206**	**282**	**60**	**212**	**272**	**61**	**175**	**236**
Number leaving the company on permanent contracts	35	126	161	32	104	136	30	61	91
Number leaving the company on fixed-term contracts	6	20	26	8	14	22	5	17	22
Number leaving the company on apprenticeships or work/study contracts	2	14	16	2	1	3	2	1	3
Total number of leavers	**43**	**160**	**203**	**42**	**119**	**161**	**37**	**79**	**116**
Of which redundancies	**16**	**58**	**74**	**5**	**3**	**8**	**2**	**3**	**5**
Staff turnover	**10.7%**	**11.9%**	**11.6%**	**17.0%**	**14.2%**	**14.8%**	**18.8%**	**11.4%**	**13.0%**

Staff turnover was 11.6% in 2023/24 compared with 14.8% in 2022/23.

1.4.1.3 Compensation and trends in compensation

The Group's compensation policy aims to reward skills, stimulate creativity, encourage employee performance and retain talent.

Salary increases are granted mainly as a result of individual negotiations, based on skills development and/or on new responsibilities assumed or their involvement in projects (in particular for development studios).

- In France, salary increases are approved during annual appraisals. The provisions of the French Labour Code apply and incentive plans and employee savings schemes are in place. Employees of the French subsidiaries concerned therefore have a long-term vested interest in the development of their company and its results enabling them to build up a capital sum through a tax-efficient employee savings plan. Lastly, employees of many of the Group's French companies have benefited from "Macron bonuses".
- In Benelux, salary increases are based on a government index and on individual negotiations. The company also belongs to Joint Committee 200 and complies with the agreements negotiated by it.
- In Germany, in the manufacturing sector, negotiations take place between the employer organisation WIGADI and the trade union VERDI. Bigben GmbH also has an annual appraisal system and organises two information and consultation meetings with staff a year.
- In Italy, salary increases are based on individual negotiations (annual appraisals based on responsibilities and skills development). Individual bonuses may also be granted based on the subsidiary's results. The company also complies with CCNL regulations (national collective employment agreement) applicable to the Retail sector.
- In Spain, the subsidiary complies with the collective agreement and conducts individual negotiations.
- In Asia, salary increases are based on the rate of inflation and individual performance.

All of the Group's entities comply with their social security and tax obligations in terms of employee compensation and benefits.

Compensation and trends in compensation (in thousands of euros)	2023/24	2022/23	2021/22
Compensation for the year	46,678	43,152	33,631
Social security costs	14,359	13,473	11,892

Employees also receive other benefits: meal vouchers are distributed at several entities, and French employees receive an employer contribution to a healthcare benefits scheme.

Furthermore, employee share ownership is an excellent way for the Group to give all its employees the opportunity to share in the company's success. Medium to long-term compensation may also be granted to the top-performing employees or to all employees as part of an active retention strategy. Over the last few years, this has taken the form of bonus share awards subject to presence and performance criteria. The Group may offer further plans of this type in the future.

1.4.1.4 Training

- **Training policies**

In businesses and sectors where continuous innovation, technological progress and expertise are key success factors, training of all kinds is clearly a priority.
A company's value lies in its human and intellectual capital. Rapidly evolving technology is a key feature in the Group's business sector and training is therefore an important issue. The aim is to guarantee the employability of all its employees and the development of their skills and knowledge. In such a sector, it is crucial for employees to keep their knowledge up to date in a continuously evolving market. The training policy aims to reconcile the company's needs with the career aspirations of its employees, to find a balance between the individual needs expressed during the annual appraisals and the company's economic profitability challenges.
The policy is implemented through individual actions and through collective training plans. Training needs expressed are validated by management based on their importance for the company's development.

French employees also benefit from an assessment of their training needs during Professional Interviews. These interviews are an important event for all employees, during which each manager discusses their team's performance and helps to develop their skills. This assessment also makes it possible to prepare for the next two years in terms of setting targets and an individual development plan.

The Group complies with the regulatory framework in such matters and pursues a policy designed to tailor employee skills to the expected evolution of the Group's business activities.

The major recurring training themes are technical training related to employees' areas of expertise and training in office systems and personal development.
In the specific case of video games development studios, there is very little adequate specialist training for their industry in France. These studios often have to provide their own training and in doing so largely favour in-house training and intra-company skills transfers.

Throughout the year, employees are also invited to attend training sessions, seminars or conferences in their areas of expertise run by partners (lawyers, trade unions, chambers of commerce, banks, external service providers, conferences in schools, etc.).

- **Total number of training hours**

In 2023/24, the Nacon Group's training expenditure represented 0.6% of its total payroll. A total of 358 employees received at least one form of training, or 32.2% of the Group's average headcount compared with 21.5% in 2022/23. The average number of training hours per employee was six hours.

Training	2023/24	2022/23	2021/22
Training expenditure	€262,165	€222,823	€219,079
Number of training programmes	1,418	313	136
Total number of training hours	6,786	5,634	5,130
Number of employees trained	358	222	165
% of payroll devoted to training	0.6%	0.5%	0.7%
Average number of training programmes per employee	1.27	0.30	0.16
Average number of training hours per employee	6	5	6
% of average headcount trained	32.2%	21.5%	19.4%

Annual appraisals	2023/24	2022/23	2021/22
% of employees receiving an annual appraisal	88.7%	85.5%	56.5%

1.4.2 Quality of life at work and diversity

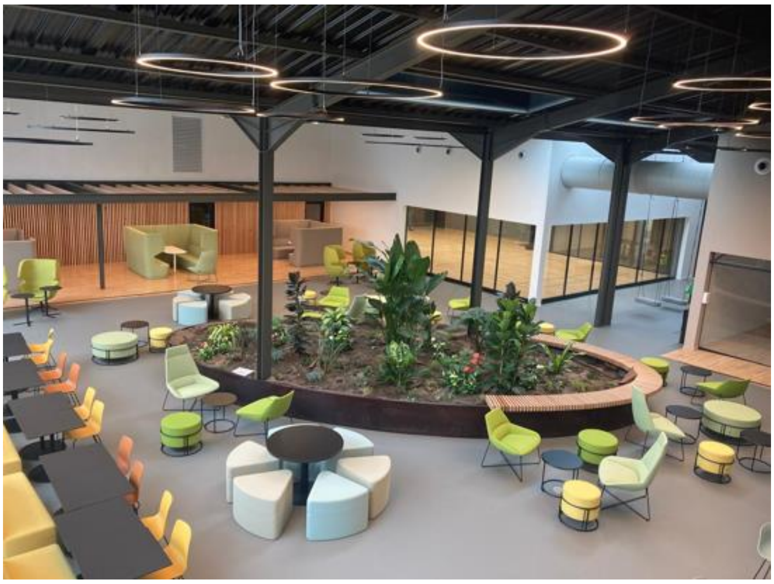
The Group employs creative talent to publish original video games and develop innovative Gaming accessories. All employees are given the opportunity to develop their skills and entrepreneurial capabilities, encouraged by people who are passionate about their business. This ongoing creativity is expressed not only in the development of new products, but also in the day-to-day working environment.

Nacon firmly believes that the Group’s performance is inextricably linked to enabling its employees to flourish, as well as the confidence it gives them. Nacon has therefore made it a priority to provide its employees with a safe working environment and ensure that they are satisfied, as well as helping them to develop their skills and support their wellbeing within the company.
Within a more general framework, Nacon encourages the dissemination of a corporate culture that encourages each individual to flourish in an environment that fosters respect, diversity, inclusion and collective wellbeing.

1.4.2.1 Policies pursued

- **A suitable working environment**

The Group endeavours to develop an appropriate environment in all of its subsidiaries, with many work spaces adapted to everyone's needs (meeting rooms, relaxation areas, cafeterias/refectories) coupled with pleasant surroundings. For example, Nacon's Lesquin head office has a large glazed courtyard with exotic plants and now offers “wellbeing” areas for employees, giving them the opportunity to wind down during the working day. Sports and videogaming activities, areas for relaxation and food service are also provided.
The Group also focuses on open space working wherever possible to encourage teamwork and facilitate communication, with managers always available to their teams.
In addition, the Group fosters the wellbeing of its employees by organising and financing various events during the year such as barbeques, lunches, seminars and restaurant invitations.



- **Working time arrangements**

The Group's policy is to allow employees some flexibility in their working time arrangements while complying with the applicable local legislation:

- In France, the legal 35-hour working week applies to company employees.
- There are no such regulations in Asia but Nacon gives its Asian employees between 12 and 15 days annual leave, as well as additional days depending on length of service.

The Covid-19 health crisis has given the Group the opportunity to rethink how its work is organised. Working habits have been completely transformed, in particular with the accelerated rollout of home working for all office-based jobs. In the light of this, parent company Nacon SA introduced a home working charter in September 2020. Home working has also been widely adopted at all other Group companies.

- **Employee relations**

    - **Staff information and consultation, negotiation procedures**

Social dialogue is the responsibility of staff representatives in countries where this is provided for by law.

- In France, the various Macron laws have introduced a new staff representative body called the Social and Economic Committee (CSE). The CSE is an organisation that combines the three existing staff representative bodies: the trade union delegates, the works council and the health and safety committee. Its role is to express the voice of the employees and to take their interests into consideration in decisions relating to the company's management and business and financial developments, working arrangements, professional training and production techniques. Almost all of the Group's French entities have a CSE.
- In Germany, cooperation between the social partners such as employers and trade unions is of the utmost importance. The trade unions are free to negotiate and form alliances as they see fit. The company is included in the structure covering the tertiary sector. Negotiations take place between the employer organisation WIGADI and the trade union VERDI. Bigben GmbH organises two staff information and consultation meetings a year. Collective bargaining agreements are entered into with the trade union VERDI.

Subsidiaries in Benelux, Spain, Italy, Asia, Canada and the United States do not have trade union representation but still comply strictly with the relevant legislation in their respective countries:

- Bigben Benelux belongs to Joint Committee 200 and applies the agreements negotiated by it.
- Bigben Italy complies with the CCNL regulations (national collective employment agreement) applicable to the Retail sector. Under Italian law, internal agreements that differ from those imposed by the CCNL may be negotiated. They are known as "integrative agreements".

    - **Report on collective agreements**

The Group complies with the collective regulations applicable to its business, over and above local employment law, national and industry agreements. In France, Nacon SA is covered by the collective agreement for the Wholesale industry no. 0573. The development studios are covered by the Syntec collective agreement no. 3018 (technical design firms, engineering consultants and consulting firms).

1.4.2.2 Outcomes

- **Absenteeism**

The annual absenteeism rate was 2.96% in 2023/24 compared with 2.58% in 2022/23. Note that most instances of unpaid leave relate to leave planned by young staff who had not acquired enough leave and therefore do not constitute unauthorised absences.

Absenteeism	2023/24	2022/23	2021/22
Number of days off for illness	5,595	4,447	2,645
Number of days off due to occupational or travel-related accidents	31	18	7
Number of days of unpaid leave*	2,126	1,793	853
Total number of days' absence	**7,752**	**6,258**	**3,505**
Absenteeism rate	**2.96%**	**2.58%**	**1.75%**
Number of days of maternity leave	543	305	527
Number of days of paternity/parental leave	369	736	739

** Including planned unpaid leave*

Days of absence are defined in business days.
Occupational accident = fatal or non-fatal accident occurring during or due to work according to local practices. Occupational accidents taken into consideration are those declared to and being handled by the competent authorities.
Absenteeism is based on end-of-period headcount and a year of 235 business days.

- **Equal treatment**

Diversity within the Group is inherent to the creativity and innovation the company needs to stay at the cutting edge of innovation and technology. The process of creating a video game or developing accessories requires a team of people from a diverse range of backgrounds and training to work well together. Cultural, gender and age diversity is a source of creativity and helps the teams to better understand consumer expectations and address their needs worldwide.

- **Policies to combat discrimination**

BREAKDOWN BY EMPLOYMENT TYPE	31/03/2024		31/03/2023		31/03/2022	
Full-time	1,070	96.1%	984	95.2%	820	96.2%
Part-time	43	3.9%	50	4.8%	32	3.8%
Total	**1,113**	**100.0%**	**1,034**	**100.0%**	**852**	**100.0%**

In 2023/24, 96.1% of the Group's employees had a full-time employment contract.

BREAKDOWN BY CONTRACT TYPE	31/03/2024		31/03/2023		31/03/2022	
Permanent contracts	1,044	93.8%	955	92.4%	785	92.1%
Fixed-term contracts	47	4.2%	55	5.3%	49	5.8%
Apprenticeships	22	2.0%	24	2.3%	18	2.1%
Total	**1,113**	**100.0%**	**1,034**	**100.0%**	**852**	**100.0%**
Agency staff	6		2		4	
Internships	27		25		33	

In 2023/24, 93.8% of the Group's employees had a permanent employment contract.

BREAKDOWN BY GENDER	31/03/2024		31/03/2023		31/03/2022	
Women	253	22.7%	218	21.1%	186	21.8%
Men	860	77.3%	816	78.9%	666	78.2%
Total	**1,113**	**100.0%**	**1,034**	**100.0%**	**852**	**100.0%**

The annual absenteeism rate was 22.7% in 2023/24 compared with 21.1% in 2022/23.

BREAKDOWN BY REGION	31/03/2024		31/03/2023		31/03/2022	
France	711	63.9%	649	62.8%	595	69.8%
Rest of Europe	176	15.8%	212	20.5%	122	14.3%
Americas	80	7.2%	76	7.4%	64	7.5%
Pacific	132	11.9%	84	8.1%	57	6.7%
Asia	14	1.3%	13	1.3%	14	1.6%
Total	**1,113**	**100.0%**	**1,034**	**100.0%**	**852**	**100.0%**

At 31 March 2024, non-French subsidiaries represented 36.1% of the Group's total headcount.
The Group currently has operations in over 11 countries across a number of continents.

- **Age pyramid**

AGE BRACKETS	31/03/2024		31/03/2023		31/03/2022	
25 and under	176	15.8%	167	16.2%	144	16.9%
26 to 35	569	51.1%	530	51.3%	411	48.2%
36 to 45	223	20.0%	209	20.2%	188	22.1%
46 to 55	111	10.0%	103	10.0%	87	10.2%
56 and over	34	3.1%	25	2.4%	22	2.6%
	1,113	**100.0%**	**1,034**	**100.0%**	**852**	**100.0%**

Number of older employees (45 and over)	145	13.0%	128	12.4%	109	12.8%
o/w French employees	73	10.3%	59	9.1%	51	8.6%

The age pyramid reflects a young workforce consistent with the young video games industry: 66.9% are in the 20 to 35 age bracket.
The Group also endeavours to incorporate young people into its teams in order to secure the business's future.

- ### Gender equality measures

NUMBER AND % OF WOMEN BY RESPONSIBILITY LEVEL	31/03/2024		31/03/2023		31/03/2022	
Number and % of women in top management positions	4	16.7%	5	17.9%	4	17.4%
Number and % of women in middle management positions	34	17.3%	30	16.8%	31	22.1%
Number and % of women with managerial grade	48	18.5%	39	16.5%	33	14.1%
Number and % of women with supervisory grade	27	28.4%	25	23.4%	16	19.8%
Number and % of female employees	140	26.0%	119	24.6%	102	27.3%
Total	**253**		**218**		**186**	

Top management is defined as members of the Group's Management Committee, including the heads of the subsidiaries.
Middle management is defined as those people with key responsibilities in the company and with line management responsibility for at least one person (including interns not included in headcount).
Managerial grade is defined as employees with key responsibilities in the company whether or not they have line management responsibility for other employees.
Supervisory grade is defined as employees with responsibility for heading up a team, but with less responsibility than employees with managerial grade.

There is no discrimination against women during the recruitment process. On the contrary, the Group strives to promote video gaming jobs to female students. Spiders has a female artistic director who spearheads several awareness campaigns at universities and is also a speaker at the Women in Games association.
Particular attention is also paid to how job offers are written in order to attract more women to these roles.

In terms of combating sexist behaviours, employees receive regular training on this subject and the Group sponsors certain charitable events to promote the prevention of sexist and sexual violence.

Incorporation of a criterion to combat discrimination in triggering payment of bonuses to corporate officers

Although the majority of studio employees are men, the Group pays particular attention to not discriminating against women and to equal treatment of men and women.
In order to make the Group more vigilant with regard to this matter, the Board of Directors decided at its meeting of 25 April 2022 to incorporate a criterion to combat discrimination in triggering payment of bonuses to the Chief Operating Officer. This criterion is based on the genera balance index as defined by France's "Professional future" law of 5 September 2018 and calculated by most of the Group's French entities (representing more than half of the Group's total workforce).
This criterion accounts for 30% of the bonus calculation.

The purpose of the gender balance index is to measure the company's positioning in terms of professional equality between men and women on the basis of four indicators (for companies with fewer than 250 employees) defined by the French government:

- The pay gap between men and women;
- The difference in the rate of individual salary increases;
- The percentage of female employees receiving a pay rise on returning from maternity leave;
- The number of people from the underrepresented gender among the top 10 highest-paid employees.

Nacon's entities achieved an average score of 90% in 2024, confirming the commitments made by the Group in terms of professional equality.

Gender balance index	2023	2022	2021
Average score for Group entities	90	93	85

Nacon is also a signatory of the Diversity promotion charter jointly drafted by the SNJV (national video games trade union), DGE (Directorate General for Enterprise), CNC (National Centre for Cinema and Animation) and SELL (entertainment software developers trade union), with the aim of encouraging diversity within teams and incorporating the values of diversity and equality into the company. Nacon is committed in particular to:

- Helping to measure efforts to improve diversity;
- Ensuring equal treatment within the company;
- Taking action to prevent discriminatory behaviours, harassment and violence of any form;
- Working towards better promotion of jobs in the video games industry to young people.

- **Measures in favour of the employment and inclusion of people with disabilities**

The Nacon Group employs 14 people with disabilities, which represents 1.3% of the headcount.

DISABILITY	2023/24	2022/23	2021/22
Number of employees with a disability	14	11	9
% of employees with a disability	1.3%	1.1%	1.1%

In 2017, the Group formed a partnership with Game Lover, part of the Papillons Blancs association based in the Hauts de France region of northern France, which brings together people with disabilities who publish a news blog about video games. The aim of the collaboration was to address a number of impairments (visual, psychomotor, cognitive and mental, poor 3D perception, autism, etc.) suffered by some gamers in order to find ways of making video games more accessible for them. This partnership has made it possible to raise awareness about making video games accessible to people with motor and cerebral disabilities and adopting an approach, which now forms part of Nacon's specifications, to ensure that developers take account of these restrictions as much as possible during development.

Accessibility issues are also a priority for the new studios acquired by the Group and appear regularly on the agenda for their meetings.

The game "Steelrising" developed by Spiders was nominated in the "Best accessibility" category in the 2023 Pégases awards organised by the French Academy of Video Game Arts and Techniques to honour the best video games of the year. This category recognises a video game designed so that anyone wanting to play it is able to do so.

1.4.3 Health and safety of employees and third parties in the workplace

This risk covers a potentially unsuitable working environment, deterioration in wellbeing in the workplace or health and safety conditions that could lead to occupational accidents or illnesses.
The health and safety of its employees and partners is a core focus for the Group.

1.4.3.1 Health and safety in the workplace

It is important to note that the Group's business activities generate limited occupational risks.

Nacon, which was founded in the second half of 2020, has continued to pursue the risk prevention policies pursued by the Bigben Group, mainly by revising and updating a single document validated by the Social and Economic Committee. As a video games publisher and gaming accessories designer and developer, the physical risks that can be identified are related to the nature of the business (sedentary tertiary activity) and to business travel (accidents). Its French studios have done the same by updating their unique

document each year, if necessary with their CSR teams.
Furthermore, it is important to note that the business activities of these companies generate limited occupational risks.

Nacon's employees also receive safety training both to prevent workplace hazards (as part of the applicable regulations) and to train volunteers in first aid and using firefighting equipment.
A number of employees have also been provided with ergonomic chairs to prevent musculoskeletal issues.

Other initiatives or obligations exist to prevent potential health risks:

- German subsidiary Bigben GmbH is a member of the BAD association, which is responsible for ensuring that proper procedures are in place to avoid occupational accidents;
- The Belgian subsidiary is affiliated to CESI (external occupational prevention and protection service);
- In Italy, a risk assessment document has been devised and is updated regularly;
- In Spain, the subsidiary complies with law 311995 of 8 November 1995 which regulates occupational risks in the workplace and supervision of employee health. It has outsourced this service to FREMAP;
- In Asia, the company complies with the Occupational Safety and Health Council regulations;
- In Australia, the company adheres to the principles of the Australian Institute of Health & Safety;
- In the United States, the company complies with the National and State Safety and Occupational Health regulations.

1.4.3.2 Agreements on health and safety in the workplace entered into with the trade unions or staff representative bodies

Employee representatives and works councils constitute real partners in constant dialogue with human resources departments.

The collective bargaining agreements signed within the Group's various companies cover areas such as compensation and employee benefits, working hours, working arrangements and working from home.
A working from home charter was drafted at a number of entities to set out procedures for this practice, launched in 2020. All these elements were subject to consultation and discussion with employee representative bodies.

At Group level, all staff at French entities (64% of the Group's headcount) are covered by a collective bargaining agreement, while foreign entities comply with regulations in force within their own country.

1.4.3.3 Occupational accidents (frequency and severity) and illnesses

The Group is attentive to its employees' health.
In 2023/24, only the illness of one Group employee resulted in one day off work.

OCCUPATIONAL ACCIDENTS	2023/24	2022/23	2021/22
Number of accidents with time off work	1	0	0
Number of accidents without time off work	0	0	0
Number of commuting accidents	5	4	1
Frequency of occupational accidents	0.5	0.0	0.0
Severity of occupational accidents	0.0	0.0	0.0

5. ENVIRONMENTAL RISKS, POLICIES PURSUED AND OUTCOMES

The Group has taken measures to mitigate the three environmental risks referred to in Section 3.

1.5.1 Environmental impacts: greenhouse gas emissions

1.5.1.1 Policies pursued

Nacon is determined to reduce its greenhouse gas emissions in line with the climate scenario of the Paris agreements, with the goal of becoming carbon neutral/net carbon zero by 2050.
With a view to this, the Group has calculated its Scope 1, Scope 2 and Scope 3 emissions and an initial target has been set to reduce emissions across all three scopes by 30% by 2030 compared with the baseline year of 2022/23.

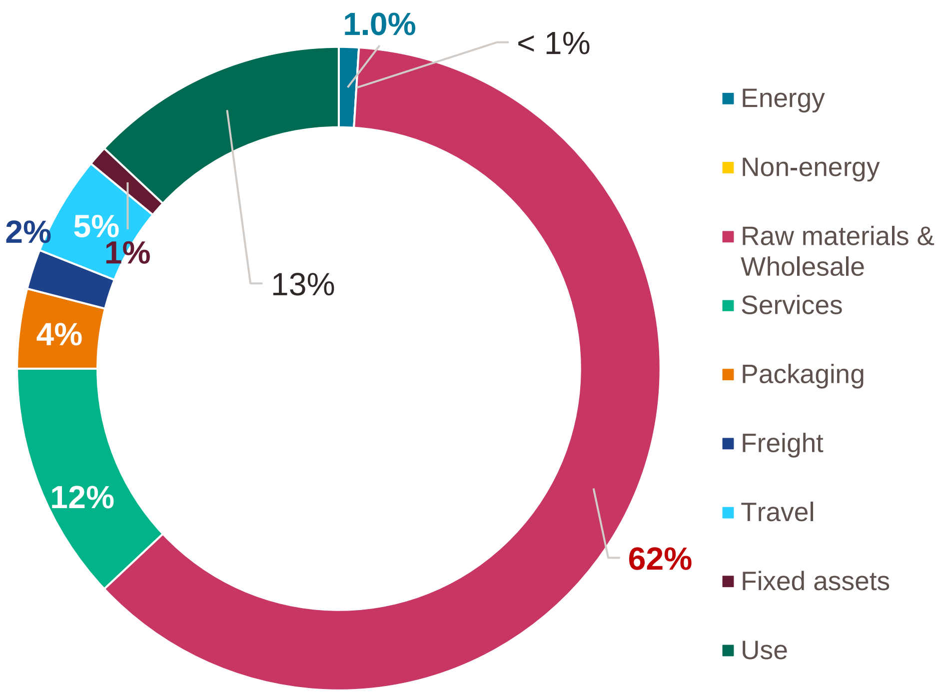
A number of ways have been identified of achieving this in order to reduce the Group's carbon footprint, in particular:

- Improve product design to make products more sustainable
- Make products easier to repair in order to give them a longer life
- Use recycled materials in manufacturing products
- Give preference to supplies from within a shorter distance and less polluting modes of transport

Software was adopted in 2022/23 to make it easier to collect more reliable data from all Group entities.
In 2023/24, the Group calculated Scope 3 emissions including emissions relating to use of its products by consumers in order to obtain an exhaustive assessment of upstream and downstream emissions.
The calculations were made using the methodology drawn up by ADEME and updated regularly by the French low-carbon transition agency, ABC ("Association pour la Transition Bas Carbone"). This methodology and the guide to emission factors can be downloaded from the ABC website and are compatible with standards already in force, in particular ISO 14064.

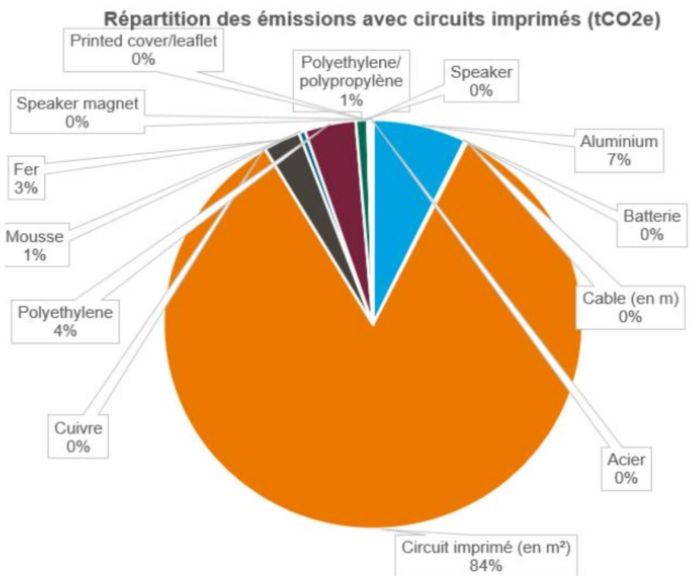
The key indicators for the baseline year (2022/23) on which the targets for reducing emissions are based are as follows:

Breakdown of emissions



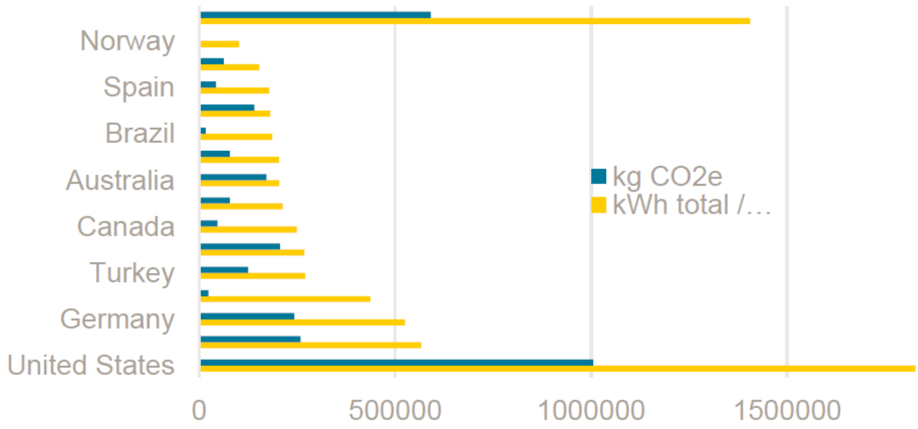
As expected and in line with the rest of the sector, Scope 3 upstream and downstream emissions represent the majority of emissions. In addition to taking steps to significantly reduce Scope 1 and 2 emissions, the Group has focused its efforts primarily on decarbonising the upstream value chain in collaboration with suppliers, as well as the downstream value chain in collaboration with consumers.

Main source of emissions: Raw materials (62%)



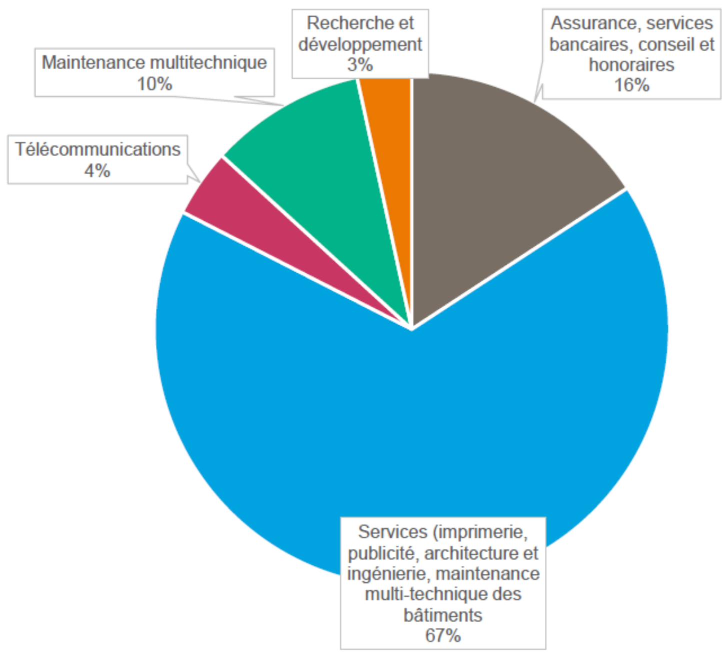
The component that has the greatest impact is printed circuit boards. The component with the second-biggest impact is aluminium, which is found in video game discs. Plastic used in products (foam, polyethylene, polypropylene and speakers) accounts for 6% of emissions from input materials (including printed circuit boards) and 36% of the impact not including printed circuit boards.

2nd largest source of emissions: Use (13%)



Use of products includes Nacon's indirect emissions, in particular in relation to product consumption (controllers, etc.) as well as data centre consumption in connection with online gaming.
The methodology used to calculate the impact of data centres was based on the findings of ADEME's "Assessment of the environmental impact of the digitalisation of cultural services" study of November 2022.

3rd largest source of emissions: Services (12%)



67% of the impact relates to services. This category includes purchases and studies and services, general outsourcing and primarily all advertising.
16% of the impact relates to insurance and banking services, accountancy fees, legal fees, quality control and advisory services, as well as insurance of equipment, vehicles and buildings.

- **Business travel policy**

The Group's goal is to limit greenhouse gas emissions generated by its car fleet by selecting vehicle models with the lowest emissions: 16 vehicles out of the 55 in the fleet are classified as "hybrid", representing 29% of the fleet in 2022/23 compared with 18% in 2021/22.

Number of cars by energy type	2023/24		2022/23		2021/22	
Diesel	27	52%	34	62%	36	72%
Petrol	7	13%	5	9%	5	10%
Hybrid	18	35%	16	29%	9	18%
Total	**52**	**100%**	**55**	**100%**	**50**	**100%**

Other measures have also been taken in this regard, such as by the Belgian subsidiary, which has set limits on carbon dioxide emissions as part of its car policy.

Due to the nature of its business, Group employees take part in many trade fairs in France and across the world. The Group's travel policy is to use only the train in France and direct flights for international travel. It also encourages the use of audio and video conferencing (Skype, Teams, etc.) to replace certain trips to subsidiaries.

- **Use of environmentally friendly production plants**

The "environmentally friendly" criterion is duly taken into account when selecting partner production plants (see section 6.6.1.). For example, the plant in Asia, which manufactures most of the Group's video game controllers, is fitted with solar panels that allow it to consume green energy without emitting carbon into the atmosphere.

✓ **Introduction of a supplier procurement charter**

In 2022/23, Nacon also introduced a sustainable sourcing charter obliging the Group's partners to implement measures to promote greater environmental responsibility and align with industry best practices, particularly in terms of reducing greenhouse gas emissions.
All of the Nacon Group's partner production plants have signed up to the sustainable sourcing charter.

- **Goods transport management**

The Group's objective in transport management is to ensure that products are delivered to all customers worldwide as promptly as possible while reducing the environmental impacts of its transport activities at the fairest possible cost.

Its manufacturing subcontractors are based in Asia or Europe, which therefore requires:

- freight by sea, air or train between China and mainly Europe and the United States; and
- road freight in Europe and the United States.

The main ways of reducing emissions are limiting use of air freight in the event of stock-outs. The supply department is also required to pay attention on a daily basis in order to maximise freight loads.
The Group also monitors actions taken by its partners and works with operators that place a strong focus on reducing carbon emissions.

This is also the case for subsidiaries that use local logistics providers in order to serve certain customers that have specific requirements. For example, Germany uses the transport company DPD, which certifies “zero emissions" when distributing its parcels.

1.5.1.2 Outcomes

In each table showing the number of emissions for each scope, “reported” figures are the figures stated in the annual report for the corresponding year. Some changes in methodology affected the Group’s 2023/24 carbon footprint, recalculations were made to obtain comparable figures.

Scope 1 emissions:

CO_2 emissions (kg CO_2e)	2023/24	2022/23	2021/22
Travel – reported	134,285	173,746	194,628
Travel - restated		24,764	-37,343
Total Scope 1 emissions	**134,285**	**198,510**	**157,285**

The reduction in Scope 1 emissions is due to the increase in the number of hybrid cars in the company’s car fleet. Since 2020, the rollout of IT solutions such as Microsoft Teams has also enabled employees to use videoconferencing for meetings rather than having to travel.

Scope 2 emissions:

CO_2 emissions (kg CO_2e)	2023/24	2022/23	2021/22
Energy – reported	320,890	253,821	101,267
Travel - restated		-25,548	-18,027
Total Scope 2 emissions	**320,890**	**228,273**	**83,240**

The increase in Scope 2 emissions relates to growth in the number of Group entities, as well as the relocation of some studios to larger premises, made necessary by their increased headcount.

Scope 3 emissions:

CO_2 emissions (kg CO_2e)	2023/24	2022/23 comparable	2022/23 reported	2021/22 reported
Energy	42,558	41,017		
Inputs – goods and materials	14,237,090	16,613,760	17,646,155	
Inputs – services	3,582,797	3,202,002		
Future packaging	1,057,243	1,194,104		
Inbound freight	138,372	192,376	254,766	393,185
Outbound freight	445,300	349,803	351,585	918,093
Travel	1,168,813	1,115,766	547,810	
Direct waste	75,050	80,639		
Fixed assets	439,406	403,501	16,328	10,660
Use	3,694,377	3,386,156		
Total Scope 3 emissions	**24,881,006**	**26,579,125**	**18,816,644**	**1,321,938**

CO_2 emissions (kg CO_2e)	2023/24	2022/23 comparable	2022/23 reported
Total Scope 1 + Scope 2 + Scope 3 emissions	**25,336,182**	**27,005,908**	**19,244,211**

Scope 1, 2 and 3 carbon emissions decreased by 6.2% year-on-year, attesting to the Company's efforts to decarbonise its operations.

1.5.2 Energy management

1.5.2.1 Policies pursued

- **Sustainable use of resources**

The Group raises employee awareness about saving electricity and heating, and many premises have already taken action to limit their energy consumption and use of their air conditioning and lighting systems:

- Air conditioning and lighting at head office and all subsidiaries are switched off at night and over the weekend;
- Several premises, including Nacon SA, have motion detectors or automatic light control systems to adjust lighting to employee needs.
- Some studios such as Cyanide and Kylotonn have signed "green energy" agreements with ERDF and Enercoop.
- The subsidiaries are increasingly purchasing more energy-efficient equipment. Some focus on LED lighting for its energy-efficient properties and its more efficient lighting.

1.5.2.2 Outcomes

- **Water consumption and water supply based on local constraints**

Group companies only occupy premises for office use.
The Group's water consumption is therefore limited to the usual consumption for these types of premises.

Water (m^3)	2023/24	2022/23	2021/22
Head office	502	426	284
Subsidiaries	303	126	163
Total	**805**	**552**	**447**
Estimated unrecorded additional consumption	1,947	1,657	

Water comes directly from the local water supply networks and the Group thus automatically complies with the water regulations applicable in its various countries of operation.
The Group also raises employee awareness about saving water.

- **Energy consumption, measures taken to improve energy efficiency and use of sustainable energy**

Group companies only occupy premises for office use.
The Group's energy consumption is therefore limited to the usual consumption for these types of premises.

Electricity (kWh)	2023/24	2022/23	2021/22
Head office	301,351	260,111	253,740
Subsidiaries	995,734	910,581	504,307
Total	**1,297,085**	**1,170,692**	**758,047**

The increase in electricity consumption relates primarily to the Group’s growth.

Gas (m^3)	2023/24	2022/23	2021/22
Head office	0	0	0
Subsidiaries	6,050	27,100	0
Logistics	0	0	0
Total	**6,050**	**27,100**	**0**

A new indicator was established in 2023/24: the percentage of electricity from renewable sources. In 2023/24, renewable energy represented 30% of electricity consumption. Increasing the percentage of energy from renewable sources is one of the objectives set out in the Group’s CSR roadmap, with a target of 40% by 2026.

Electricity source (kWh)	2023/24	
Nuclear	750,496	58%
Renewable (solar, hydro, wind, etc.)	391,077	30%
Other (gas, coal, etc.)	155,513	12%
Total	**1,297,085**	**100%**

1.5.3 Resource and waste management

1.5.3.1 Policies pursued

- **Employee training and information on waste management**

The Group raises employee awareness about environmental impacts by communicating about issues such as printing, waste sorting (batteries, plastic, electronic equipment, etc.), lighting, and the need to reduce water, electricity and paper consumption.

Employee awareness and training are organised locally by each entity.

A number of initiatives have been taken at Nacon SA:

- Installation of recycling bins in partnership with service provider ELISE, as well as a campaign to raise awareness among employees;
- Installation of an air conditioning system to reduce office heating/air conditioning costs; air conditioning in communal areas with a cold/warm air optimisation system to prevent energy loss due to the glass walls and regulate the temperature of the courtyard, corridors and entrance hall. This not only provides greater comfort for employees but also reduces heating and air conditioning consumption in offices.

In addition, Nacon SA continuously raises employee awareness about reducing their office paper consumption by encouraging double-sided printing (printer default setting). Nacon SA also decided in 2021/22 to stop printing corporate documents and to send out only digital greetings cards to its partners.

- **Pollution prevention measures**

    - **Measures to prevent, reduce or remedy environmentally serious air, water or soil pollution**

As the Group has no production sites, it has not recorded any air, water or soil pollution with a serious impact on the environment. Water is only consumed on a domestic basis at offices.

    - **Noise and other forms of pollution specific to a business activity**

The Group's operations do not produce any noise pollution.

    - **Amount of provisions and guarantees for environmental risks**

No provisions have been set aside or guarantees given for environmental risks.

- **Implementing a circular economy**

    - **Waste prevention and management**

✓ **Measures to prevent, recycle, reuse, upcycle and eliminate waste**

An eco approach to recycling from the outset

Eco-designed products:

CSR aspects and recycling concerns are given consideration when creating a product and establishing the associated product strategy, which is duly highlighted during discussions with the various business partners.

- In 2022/23, a taskforce was set up to implement a product development process based on three core priorities including eco design, with the aim of maximising use of recycled materials and reducing use of natural resources.
- Nacon works continuously to optimise the form and size of its product packaging to limit packaging waste and endeavours to recover and reuse cardboard boxes.
- “Zero plastic” packaging was introduced several years ago, using FSC certified card, as well as printing using vegetable-based inks. Paper manuals have also been replaced with manuals in digital format that can be downloaded by users.

Nacon SA has also invested in digitising the documents it produces such as invoices and expenses reports:

- Introduction of electronic client and supplier invoices in September 2020;
- Introduction of expense report software in March 2020, which allows users to scan their receipts and obtain approval directly in electronic format;
- Introduction in 2020/21 of DocuSign signature software to avoid printing out legal documents such as contracts, which can be signed electronically;
- All marketing materials have been digitised since the start of 2022, with a QR code to be downloaded by visitors to our stands. The Group’s traditional product catalogues and corporate brochures have been replaced with digital materials.

Downstream management of recycling

Aware of the ecological impact of their waste consumption, the Group’s companies recycle their waste by means of selective sorting at their premises or in collection areas or by calling on specialised service providers. For example:

- The German subsidiary has appointed a specialised firm to process all packaging waste generated by the distribution of its products to retailers and it complies with the "VerpackV" packaging regulations;
- The Belgian subsidiary takes measures to limit its packaging waste. In terms of recycling, it is also a member of Valipac (secondary and tertiary packaging management), Fost-Plus (primary packaging management), Bebat (battery recycling) and Recupel (waste electrical and electronic equipment management);
- In Spain, the Company has outsourced the collection, processing and recycling of electrical and electronic waste to Reinicia for products marketed in Spain and management of containers and packaging to Ecoembes;
- Since 2017, the Italian subsidiary has been a member of CONAI (consortium for recovering and recycling packaging) and the ECOEM consortium for waste electrical and electronic equipment (WEEE) management. Since September 2020, the company has eliminated faulty products including batteries via the ECOEM Consortium;

- **Combating food waste and food insecurity, respecting animal welfare and responsible food choices**

Due to the nature of its business, the Group is not very concerned by food waste issues. It does not have any company restaurants. However, most of its premises provide refectories or break rooms where staff can eat. Food consumption is therefore limited to the individual needs of each employee or company guest. Combating food insecurity or respect for animal welfare and responsible, fair and sustainable food do not apply in the light of Nacon’s operations.

- **Biodiversity protection**

None of Nacon's premises are located in rich biodiversity areas, such as protected natural areas. The Group's operations do not have a direct impact on biodiversity but may have an indirect impact through use of natural resources. The taskforce in charge of ecodesign and product repairability is currently working on ways of reducing this impact.

1.5.3.2 Outcomes

- **Consumption of raw materials and measures taken to improve their effective use**

Paper and cardboard consumption (kg)	2023/24	2022/23	2021/22
Head office	1,000	406	1,089
Subsidiaries	1,334	1,213	705
Logistics	65,281	78,477	83,796
Total	**67,615**	**80,096**	**85,590**

Paper and cardboard recycling (kg)	2023/24	2022/23	2021/22
Head office	1,870	1,877	1,726
Subsidiaries	1,423	783	159
Logistics	75,626	82,223	98,480
Total	**78,919**	**84,883**	**100,365**

The volume of paper and cardboard recycling has decreased due to the reduction in consumption each year.

1.5.4 Taxonomy

1.5.4.1 New regulation

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishes a framework to facilitate sustainable investment within the European Union (EU), amending regulation 2019/2088. This EU taxonomy of sustainable activities or "green taxonomy" establishes the general framework for determining whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which an investment is environmentally sustainable.

A qualifying activity must:

- contribute substantially to one or more of the following environmental objectives:
    1. climate change mitigation
    2. climate change adaptation
    3. sustainable use and protection of water and marine resources
    4. transition to a circular economy
    5. pollution prevention and control
    6. protection and restoration of biodiversity and ecosystems
- do no significant harm to any of the other environmental objectives;
- be carried out in compliance with minimum safeguards set out in:
    - the OECD Guidelines for Multinational Enterprises
    - the United Nations Guiding Principles on Business and Human Rights, and
    - the principles and laws set out in the eight fundamental conventions cited in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and by the International Bill of Human Rights;
- comply with technical screening criteria established by the Commission.

In accordance with this regulation, the Nacon Group has analysed its activities that may meet the expected eligibility criteria as well as the criteria for alignment.

The three indicators required regarding the designation of eligible activities and in eligible activities – turnover, capital expenditure (CapEx) and operating expenditure (OpEx) – have been calculated.

1.5.4.2 Outcomes

The financial information in question for this analysis is taken from NACON's IT systems at the end of the financial year on the basis of the IFRS consolidated financial statements to 31 March 2024 and in accordance with the regulation with the aim of defining "green" revenue, capex and opex. The results of this analysis are given below.

Turnover

After analysis and in the light of the regulatory framework set out above, it appears that the Group's activities are not among the activities that are eligible for the climate objectives established by the Green Taxonomy.
As a result, taxonomy-eligible economic activities account for 0.0% of NACON's total turnover.
In 2023/24, the Group's turnover amounted to €167.7 million, corresponding to the amount stated in the Group's consolidated income statement.

Economic activities	Code	Absolute turnover (in millions of euros)	Percentage of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Percentage of Taxonomy-aligned turnover in year N	Percentage of Taxonomy-aligned turnover in year N-1	Category (enabling activity/ transitional activity)
			%	%	%					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 (Taxonomy-compliant)																			
Turnover from environmentally sustainable activities (Taxonomy-compliant) (A.1)		**0**	**0.0%**														**0.0%**		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-compliant)																			
Turnover from Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-compliant) (A.2)		**0**	**0.0%**														**0.0%**		
TOTAL (A.1 + A.2)		**0**	**0.0%**																

B. NON-TAXONOMY-ELIGIBLE ACTIVITIES (%)																			
Turnover from non-Taxonomy-eligible activities (B)		**167,718**	**100.0%**																
TOTAL (A + B)		**167,718**	**100.0%**																

CapEx

In 2023/24, expenditures relating to the Group's tangible and intangible assets amounted to €80.8 million, corresponding to the amount stated in the Group's cash flow statement.
Eligible CapEx corresponds to rights of use relating to property rental agreements. All newly leased buildings were taken into consideration, including renewed rental agreements. Taxonomy-eligible expenditures totalled €4.0 million, equal to 4.9% of total expenditures.
The proportion of Taxonomy-eligible expenditures meeting compliance criteria came to €1.1 million, equal to 1.4% of the Group's CapEx.

				Substantial contribution criteria						Do no significant harm criteria (DNSH) Do no significant harm criteria (DNSH)									
Economic activities	**Code**	**Absolute CapEx (in millions of euros)**	**Percentage of CapEx**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum guarantees**	**Percentage of Taxonomy-compliant CapEx in year N**	**Percentage of Taxonomy-compliant CapEx in year N-1**	**Category (enabling activity/ transitional activity)**
			%	%	%					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 (Taxonomy-compliant)																			
Acquisition and ownership of buildings		1,109	1.4%	100%						y	y	y	y	y	y	y	1.4%	0.6%	T
Environmentally sustainable CapEx (Taxonomy-compliant) (A.1)		**1,109**	**1.4%**	**100%**													**1.4%**	**0.6%**	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-compliant)																			
Acquisition and ownership of buildings		2,855																	
Taxonomy-eligible but not environmentally sustainable CapEx (not Taxonomy-compliant) (A.2)		**2,855**	**3.5%**																
TOTAL (A.1 + A.2)		**3,964**	**4.9%**																
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES (%)																			
Non-taxonomy-eligible CapEx (B)		**76,808**	**95.1%**																
TOTAL (A + B)		**80,772**	**95.1%**																

OpEx

Eligible operating expenditures as defined by the Taxonomy concern mainly upkeep and office maintenance costs. As our assessment of the proportion of eligible OpEx leads us to the conclusion that these expenditures are not material, the proportion of eligible or compliant OpEx is therefore considered to be nil.

				Substantial contribution criteria						Do no significant harm criteria (DNSH) Do no significant harm criteria (DNSH)									
Economic activities	**Code**	**Absolute OpEx (in millions of euros)**	**Percentage of OpEx**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum guarantees**	**Percentage of Taxonomy-compliant OpEx in year N**	**Percentage of Taxonomy-compliant OpEx in year N-1**	**Category (enabling activity/ transitional activity)**
			%	%	%					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 (Taxonomy-compliant)																			
Environmentally sustainable OpEx (Taxonomy-compliant) (A.1)		**0**	**0.0%**																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-compliant)																			
Taxonomy-eligible but not environmentally sustainable OpEx (not Taxonomy-compliant) (A.2)		**0**	**0.0%**																
TOTAL (A.1 + A.2)																			
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES (%)																			
Non-taxonomy-eligible OpEx (B)		**0**	**0.0%**																
TOTAL (A + B)		**0**	**0.0%**																

Percentage of eligibility and compliance by environmental objective:

Percentage of Taxonomy-eligible and compliant turnover	Taxonomy-compliant	Taxonomy-eligible
Climate change mitigation	0.0%	0.0%
Climate change adaptation	0.0%	0.0%
Sustainable use and protection of water and marine resources	0.0%	0.0%
Transition to a circular economy	0.0%	0.0%
Pollution prevention and control	0.0%	0.0%
Protection and restoration of biodiversity and ecosystems	0.0%	0.0%

Percentage of Taxonomy-eligible and compliant CapEx	Taxonomy-compliant	Taxonomy-eligible
Climate change mitigation	1.4%	4.9%
Climate change adaptation	0.0%	0.0%
Sustainable use and protection of water and marine resources	0.0%	0.0%
Transition to a circular economy	0.0%	0.0%
Pollution prevention and control	0.0%	0.0%
Protection and restoration of biodiversity and ecosystems	0.0%	0.0%

Percentage of Taxonomy-eligible and compliant OpEx	Taxonomy-compliant	Taxonomy-eligible
Climate change mitigation	0.0%	0.0%
Climate change adaptation	0.0%	0.0%
Sustainable use and protection of water and marine resources	0.0%	0.0%
Transition to a circular economy	0.0%	0.0%
Pollution prevention and control	0.0%	0.0%
Protection and restoration of biodiversity and ecosystems	0.0%	0.0%

6. SOCIAL RISKS, POLICIES PURSUED AND OUTCOMES

1.6.1 Supplier and service provider management

1.6.1.1 Policies pursued

- **Purchasing policy and consideration of CSR aspects in negotiations with suppliers and subcontractors**

The Nacon Group's CSR policy serves the clear aim of establishing values for each of its stakeholders. This vision is centred around two core commitments:

Carrying out our activities in an ever more responsible way, incorporating our CSR and eco-design policies;
Being invested in shared sustainable performance.

Selection of production plant subcontractors

The Group uses subcontractors for its product manufacturing needs.
The Nacon Group wants to involve its partners in an approach based on shared progress, in order to identify the weaknesses in the production chain and useful changes in terms of protecting the environment, human rights and working conditions.
It has therefore introduced a sustainable sourcing charter obliging the Group's partners to implement measures to promote greater social and environmental responsibility.
Production plants that sign up to the charter are obliged to compile an annual assessment of progress made.
All of the Nacon Group's partner production plants have signed up to this supplier charter.

In Asia, Nacon Hong Kong also performs audits of all partner production plants to ensure that they comply with their social responsibility obligations. Since 1 April 2017, a social audit has been added to the quality audit, using a social audit form.

External social and environmental certifications are also obtained for production plants, as detailed in Section 6.6.1.2.

Selection of transport providers

The Group also monitors actions taken by its transport partners and works with operators that place a strong focus on reducing carbon emissions and on their contribution to sustainable development and social responsibility.

- **Monitoring the UN Global Compact principles**

The Group is a member of the United Nations Global Compact, and as such adheres to and promotes the following ILO fundamental conventions:

- ✓ Freedom of association and collective bargaining
- ✓ Elimination of discrimination in respect of employment and occupation
- ✓ Abolition of forced labour
- ✓ Effective abolition of child labour

1.6.1.2 Outcomes

Most of the production plants that manufacture Nacon products are ISO 9001 certified (quality management system) while others are certified SA8000, a social accountability standard that promotes decent working conditions. Others are members of the Business Social Compliance Initiative (BSCI), which brings together companies committed to improving working conditions in their international supply chains. Other plants have SMETA (Sedex Members Ethical Trade Audit) accreditation, one of the ethical audit standards.

By partner (representing over 87% of the accessories business), this breaks down as follows:

CERTIFICATIONS AND SCORES OBTAINED	External audits				Internal audits	
	CSR	EMS-ISO14001	QMS - ISO9001	ISO 45001	CSR	QMS
Plant 1	RBA	X	X	X	91.5	92
Plant 2	RBA / SA8000	X	X	X	90.1	92
Plant 3	RBA	X	X	X		
Plant 4	SA8000 / SMETA	X	X		89.6	90

The number of certified production plants increases each year. As at 31 March 2024, all production plants, representing 97% of the accessories business, had at least one SA8000, SMETA, BSCI or RBA social audit report, compared with 73% as at 31 March 2023.

Furthermore, the Nacon Group does not import “conflict minerals” (the 3 Ts: tin, tungsten and tantalum) or gold from the Democratic Republic of the Congo.

1.6.2 Regional inclusion

1.6.2.1 Policies pursued and outcomes

- **Employment and regional development**

The Group contributes to developing local employment, mainly through limited recourse to subcontracting and therefore creating local jobs, and by choosing to locate its head office in the Hauts de France region of northern France.

The Group also endeavours to support the local economy through the services it uses.

- ✓ For example, Nacon SA gives preference to local suppliers for the following services:
  - marketing, printing, photography, venue bookings for photo shoots and model bookings;
  - server hosting services, purchased by Roubaix-based company OVH.

The Group has taken a proactive approach for many years to youth employment and inclusion.

- ✓ A policy of encouraging apprenticeships and work/study contracts has been developed over the last few years. As at 31 March 2024, the Nacon Group had 22 apprentices or work/study placements.

In addition, the Nacon Group has renewed its commitment to several actions specifically aimed at students and young graduates, such as:

- There are many partnerships between the Gaming Publishing teams at the Lesquin head office, the studios and Rubika (SupInfoGame and ISD), CNAM – ENJMIN, ECV Bordeaux, Pole III D, IIEM (in partnership with the Cyanide studios), IIM, ICAN and Isart Digital:
  - The owners and managers of the Nacon Group’s studios give regular talks at these schools
  - Many design and development projects have also been run with ISD students in the past 10 years (simulator projects, "made for iPhone controllers" project, etc.)

- There are many partnerships between the DTP department and various schools: Esupcom school of marketing and communication in Lille, ISCOM, Aston Lille and IAE.

These partnerships illustrate the Group's aim of attracting and hiring talented young people and making them aware of the issues and responsibilities inherent in our subsidiaries' business activities and the reality of jobs in this sector.

- **Neighbouring and local populations**

Due to its nature as a distribution company, Nacon does not have direct impacts on neighbouring and local populations.

- **Dialogue with stakeholders (community, associations, social institutions)**

The Group does not have a specific policy.
However, partnership actions, whether with local schools, associations or government agencies, all aim to invest in teaching skills related to new technologies and the world of gaming.

The Publishing division in particular is involved in many partnerships:

On a national level:

- Nacon is a member of various video game unions and may therefore represent the video games industry from time to time, in particular during conferences, to explain how video games are designed, developed and published:
  - Through its group contribution, which includes the recently acquired development studio and the head office Publishing team, Nacon is a member of the trade union for the video games industry, SELL;
  - The Spiders studio's head of production is chair of the Board of the national video games union SJNV.

On a regional level:

- The Group's Head of Publishing was the founder chairman of the association Game Industry North (GAME IN) for four years and remains an active member of the association, which now comprises some thirty regional companies involved in the video games industry and organises many conferences on a broad array of topics.

  In 2021, he also became a member of the Comité Métropolitain du Numérique (Metropolitan Committee for Digital Technology) under the patronage of Akim Oural (Delegated Metropolitan Councillor for Innovation and Digital Technology).

  He has also joined forces with Capital Games, a regional video games industry association in the Ile-de-France region comprising 150 to 160 partner companies as part of a mentoring system.

- Nacon receives delegations of start-ups giving them the opportunity to present their products and create a business network.

The Group's international subsidiaries have also invested in their local communities:

- Bigben Benelux is a member of Union Belge des Annonceurs (UBA);
- Bigben Italia is part of the Italian Interactive Digital Entertainment Association (IDEA, formerly AESVI), which represents the national video games industry, and is a member of CONFINDUSTRIA (general confederation of Italian industry), the main organisation representing Italian manufacturing and service companies;
- RaceWard is a member of IIDEA, Assolombarda and Confcommercio, supporting video gaming in the Lombardy region;
- Nacon is also a member the trade unions ESA in the United States and UKIE in the United Kingdom, as well as the Australian trade union (via newly acquired studio Big Ant) and associations in Quebec (including the Quebec video gaming guild).

- **Sponsorship and patronage**

There are a number of sponsorship initiatives aimed at improving the wellbeing of disadvantaged populations or local communities:

- In spring 2020, the studio Spiders launched the "Video Games Bursary" along with various video games companies and the charity "Loisirs Numériques", which aims to provide financial support and mentoring for students who do not have the socioeconomic means to pursue costly studies in video games. The "Video Games Bursary" offers the selected student(s) full funding for their registration and tuition fees and computer equipment, as well as assistance with accommodation and transportation and support from professional mentors. Spiders has since made an annual donation to the charity each year to support this initiative over the long term. Other Group studios have joined this bursary scheme;
- The studio Ishtar sponsors a charitable event to promote the prevention of sexist and sexual violence.

1.6.3 Consumer health and safety

To guarantee the safety of its products, Nacon uses manufacturing subcontractors with very high organisational standards and processes. The Group has in-house teams devoted to monitoring and implementing standards, regulations and internal rules.
Safety is taken into consideration right from the product design stage. A product must meet the national safety standards of the relevant market as well as international standards. Consequently, products often exceed the local safety requirements.

Before being marketed, all products must undergo comprehensive safety testing to assess potential risks, including physical, chemical and flammability tests. All products comply with European Union requirements as well as all legal and regulatory provisions, and are inspected by independent testing organisations.

Nacon complies strictly with the standards in force covering the electrical safety and use of its products, including the European RoHS directive (Restriction of Hazardous Substances), WEEE directive (Waste Electrical and Electronic Equipment) and REACH regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals) for the relevant products.

The Group is committed to the health and safety of its consumers through trade associations for the video games industry such as SELL in France.

The software teams work closely with rating and consumer protection agencies, the main ones being:
- PEGI (Pan European Game Information) for Europe;
- ESRB (Entertainment Software Rating Board) for the United States;
- OFLC (Office of Film and Literature Classification) or COB for Australia;
- USK (Unterhaltungssoftware Selbstkontrolle – entertainment software self-regulation body) for Germany;
- CERO (Computer Entertainment Rating Organization) for Japan.

These agencies inform consumers about the nature of the products and the recommended age for use by assigning ratings that guarantee clear labelling of video games based on their content and recommended age group.
Each agency is independent and works differently.
Furthermore, in France products carry a warning about the risk of epilepsy in accordance with the decree of 23 April 1996. Some first-party suppliers also ask for information about similar risks to be carried on their packaging or in notices included with the products.

7. ACTION IN FAVOUR OF HUMAN RIGHTS

- **Promotion of and compliance with the ILO's fundamental conventions**

The Group complies with the conventions on:

✓ **Freedom of association and collective bargaining**

The Group respects the freedom of association and collective bargaining (see section 4.3).

✓ **Elimination of discrimination in respect of employment and occupation**

The Group employs talented people from a wide variety of backgrounds (see section 4.6.3) and thus endeavours to combat all forms of discrimination by recruiting a diverse range of profiles.

✓ **Abolition of forced labour**

The Group complies with the conventions of the International Labour Organisation and, in particular, undertakes not to use forced labour. It also ensures that its subcontractors in Southeast Asia comply with these obligations.

✓ **Effective abolition of child labour**

The Group complies with the United Nations conventions on children's rights and, in particular, undertakes not to use child labour. It also ensures that its subcontractors in South-East Asia comply with these obligations. The Group therefore complies fully with the provisions of HK Labour Law and Employment of Children Regulations.

In addition to the social audits performed by Nacon Hong Kong (see section 6.6.1), the Group's quality inspectors, who visit the manufacturing plants on a daily basis, ensure that no children are working there. The Group is extremely attentive to this issue and did not have any cases of forced child labour in the past year.

- **Choice of partners**

As described above, various actions taken by the Group with its subcontractors and partners (e.g. social audits of Asian production plants since 1 April 2017 in addition to quality audits, using a social audit form) ensure that they take social responsibility issues into consideration.

To date, apart from the social actions described above, the Group has not committed to any other action in favour of human rights.

8. RELATIONSHIP BETWEEN THE FRENCH NATION AND THE ARMED FORCES

The Group has not been involved in any specific actions to promote the relationship between the French nation and the armed forces and support joining the army reserves.

9. ANTI-CORRUPTION AND TAX EVASION

1.9.1 Action taken to prevent corruption and outcomes

Nacon reminds its employees about their duty of loyalty in their employment contracts and stresses the importance of this principle when new employees are hired.
The anti-corruption procedures put in place by the Group take several forms:

- An “anti-fraud” prevention document is given to the Group’s employees each year;
- The Group Treasurer is able to check the subsidiaries' daily bank positions;
- The duty of loyalty is spelt out in employment contracts.

Subcontractors:

- New major subcontractors are appointed via a competitive bidding process requiring several levels of approval or by obtaining quotes from at least three different suppliers.
- The Hong Kong subsidiary asks its suppliers and manufacturing subcontractors to sign a "Gifts and Gratuities" form stipulating that Nacon will not accept gifts or gratuities of any kind.

The Nacon Group complies with the anti-corruption requirements of the French Sapin II law. In accordance with the eight measures recommended by the French anti-corruption agency (AFA), the following measures were decided and implemented within the Group and its French and foreign subsidiaries in accordance with French regulations, and will continue to be implemented within new subsidiaries in future:

- Anti-corruption risk mapping;
- Adoption of an anti-corruption conduct code to be included in the internal regulations;
- Implementation of whistleblowing arrangements.
-

ALERTS RECEIVED	31/03/2024	31/03/2023	31/03/2022
Number of alerts received	0	0	0

No alerts have been recorded in the last three years.

- Implementation of procedures to assess partners;
- Implementation of accounting control procedures and anti-corruption control and internal evaluation arrangements;
- Introduction of anti-corruption training modules based on clear and easy to understand slides for all relevant employees in all the Group's subsidiaries.

1.9.2 Action taken to prevent tax evasion and outcomes

As regards transfer pricing, the Group complies with the OECD's BEPS principles and has a full set of files (master file and local files) documenting the arm's length nature of its intra-group transactions and their fiscal compliance.

10. APPENDIX - EMPLOYEE-RELATED, ENVIRONMENTAL AND SOCIAL REPORTING METHODOLOGY

Nacon's CSR reporting approach is based on Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

1.10.1 Reporting period and timetable

The information collected covers the period from 1 April of year N-1 to 31 March of year N, except for information relating to training and annual appraisals, as well as carbon footprint assessments of certain transportation providers covering the period from 1 January to 31 December of year N-1. The first quarter (January to March) is considered identical to that of the previous year in terms of transportation providers' emissions. Information is reported annually.

The CSR reporting timetable is as follows:

Period	Activity
Early March of year N	Instructions sent to contributing entities one month before the annual close
During April of year N	Reporting of qualitative and quantitative information
End of April of year N	Consolidation of data and drafting of CSR report
End of May or early June of year N	Board of Directors' meeting to approve results

1.10.2 Scope

The CSR reporting scope aims to be representative of the Group's business activities. It is based on the following rules:

- All companies that are fully consolidated in the financial statements are included in the CSR reporting scope;

- Subsidiaries sold or closed down during year N-1/N are excluded from the reporting scope for year N-1/N. Not applicable in 2023/24.

1.10.3 Choice of indicators

The indicators used were selected on the basis of:
- the employee-related, environmental and social impacts of the Group's business activities;
- risks associated with the business activities;
- operational implementation of the Group's CSR performance monitoring based on a selection of unifying indicators.

1.10.4 Roles and responsibilities

Information is collected centrally or from each entity included in the CSR reporting scope from sources such as the payroll management system, Excel monitoring files, invoices, etc.

Information reported by the subsidiaries is collected by subsidiaries' administrative officers based on a reporting format drawn up by Nacon's management. Within the Group's subsidiaries, administrative officers collect information from staff responsible for the relevant area.
Information is checked and validated by Group management.

1.10.5 External audit

In accordance with the regulatory requirements set out in Article 225 of the Grenelle 2 law and its implementing decree of 24 April 2012, Nacon has asked one of its statutory auditors to prepare a report as of 2019/20 certifying that the relevant information has been disclosed in the management report and expressing an opinion on the fairness of the disclosures.

1.10.1 Scope limitations and methodology clarifications

1.10.1.1 Scope limitations

Disclosure	Scope
Environmental indicators	
Paper and cardboard consumption and waste recycling	Paper and cardboard waste recycling is limited to the scope of parent company Bigben Interactive's Lauwin-Planque warehouse (the Group's only real warehouse, as the other subsidiaries only have office premises) and to a few Group subsidiaries (in particular the German, Italian and Hong Kong subsidiaries) that habitually recycle their cardboard and paper waste.
All environmental indicators	All Group companies are included in the scope of this report.

Disclosure	Scope
Employee-related indicators	
All employee-related indicators	All Group companies are included in the scope of this report.

1.10.1.2 Methodology clarification

Employee-related data:

Disclosure	Description
End-of-period headcount and breakdown by: - Gender - Age - Geographical area	Number of employees on the payroll at 31 March of year N on permanent and fixed-term contracts. Includes employees on parental leave, maternity leave and long-term sick leave, and employees on apprenticeship and work/study contracts. Excludes non-salaried executive corporate officers, interns, temporary staff, employees on early retirement schemes and employees on sabbatical leave. The age brackets defined are: 25 and under, 26-35, 36-45, 46-55, 56 and over. It has been agreed that employees aged over 45 are regarded as “older”. The few French employees with two employment contracts with two separate French entities have each been treated as two workforces in accordance with French law. The geographical areas defined are: France, Rest of Europe, Americas, Asia-Pacific, Asia.
External joiners	Number of employees hired on permanent or fixed-term contracts, apprenticeships, work/study contracts and temporary staff from 1 April of year N-1 to 31 March of year N. Fixed-term contract renewals and contract conversions do not count as new hires.
Leavers	Number of employees on permanent or fixed-term contracts that left the company from 1 April of year N-1 to 31 March of year N on the company's initiative (redundancy, serious misconduct, contractual termination, termination of permanent or fixed-term contract during the trial period, end of fixed-term contract) and on the employee's initiative (resignation) Transfers between different entities are regarded as departures.
Staff turnover	Number of voluntary departures divided by headcount at the end of the period. The “staff turnover by category” ratio is broken down between men and women.
Absenteeism, total and breakdown: - Sick leave - Occupational and commuting accidents - Unpaid leave	Number of days’ absence for the various categories calculated in business days from 1 April of year N-1 to 31 March of year N. The absenteeism indicator is calculated by dividing the total number of days’ absence referred to above by the end-of-period headcount based on a year of 235 business days.
Compensation for the year	The amount of compensation corresponds to the gross payroll disclosed in the consolidated financial statements. It includes gross compensation, paid leave, allowances, various benefits, incentive bonus and profit sharing. Average compensation per employee is calculated by dividing the amount of compensation referred to above by end-of-period headcount.

Frequency of occupational accidents	The frequency of occupational accidents is calculated using the following formula: (Total number of occupational accidents / Number of hours worked) * 1,000,000 The number of hours worked corresponds to the actual number of days worked by employees * the number of hours worked per week
Severity of occupational accidents	The severity of occupational accidents is calculated using the following formula: (Number of days with time off work due to occupational accidents / Number of hours worked) * 1,000 The number of hours worked corresponds to the actual number of days worked by employees * the number of hours worked per week
Social security costs	The amount of social security charges corresponds to the employer's contributions (social security, unemployment, pension, death & disability insurance, top-up health insurance, occupational health care costs, works council expenses, lifelong training, luncheon voucher contribution, construction tax, apprenticeship tax).
Occupational accidents with time off work	Number of occupational accidents with time off work recognised as such by the competent authorities from 1 April of year N-1 to 31 March of year N.
Occupational accidents without time off work	Number of occupational accidents without time off work recognised as such by the competent authorities from 1 April of year N-1 to 31 March of year N.
Commuting accidents	Number of accidents between home and work with or without time off work recognised as such by the competent authorities from 1 April of year N-1 to 31 March of year N.
Percentage of payroll devoted to training	The percentage is calculated as follows: Training expenditure for the year / Compensation for the year
Training expenditure	Amount of expenditure on training (in euros). Expenditure includes the cost of services invoiced by external providers of training given to employees plus associated travel costs (transport, accommodation, meals) and employee costs charged. Training expenditure in respect of year N includes expenditure incurred for all employees present at 31 March of year N. Expenditure incurred for employees who have left the company is not included. Training can be provided face-to-face or remotely.
Employees trained	Number of participants (permanent and fixed-term contracts) in contractually agreed training sessions during calendar year N-1 for French companies and the financial year for other companies. Data taken from agreements entered into with the training service providers. Participants are counted as many times as they attend a training session. Employees trained in year N includes those employees present at 31 March of year N. Employees who have left the company are not included. The percentage of average headcount trained is calculated by dividing the total number of employees trained referred to above by the end-of-period headcount.
Training hours	Number of contractually agreed training hours received by employees (permanent and fixed-term contracts) during calendar year N-1 for French companies and the financial year for other companies. Data taken from agreements entered into with the training service providers. Training hours counted in respect of year N are those completed by employees on the payroll at 31 March of year N. Training hours completed by employees who have left the company are not included. The average number of training hours per employee is calculated by dividing the total number of training hours referred to above by the end-of-period headcount.
Average number of training hours per employee	The average number of training hours per employee is calculated using the following formula: Total number of training hours / Total number of employees as at 31 March year N
Average number of training programmes per employee	The average number of training programmes per employee is calculated using the following formula: Number of training programmes / Total number of employees as at 31 March year N
Percentage of employees receiving an annual appraisal	Employees who have received an annual appraisal: For French subsidiaries: during calendar year N-1 For other subsidiaries: from 1 April of year N-1 and 31 March of year N divided by the end-of period headcount from 1 April of year N-1 to 31 March of year N
Top management and middle management	Top management is defined as members of the Group's Management Committee, including the heads of the subsidiaries. Middle management is defined as those people with key responsibilities in the company and with line management responsibility for at least one person (including interns not included in headcount).

Environmental data

Disclosure	Description
Water consumption	Water consumption in m^3 from 1 April of year N-1 to 31 March of year N. Data taken from water bills or meter readings.
Paper purchased	Paper and cardboard purchased in kg from 1 April of year N-1 to 31 March of year N. By convention, the Group considers that paper purchased during the year is consumed during the year. The logistics warehouse unpackages products sent by suppliers, stores them and then repackages them in the form required by the end customer. Therefore, packaging boxes sent by suppliers are not included in this indicator. However, as these boxes are recycled, most of them are included in the indicator referred to below.
Paper and cardboard waste collected	Paper and cardboard waste in kg from 1 April of year N-1 to 31 March of year N. Data supplied by service providers that collect the paper and cardboard.
Internal electricity consumption	Electricity consumption in kWh from 1 April of year N-1 to 31 March of year N. Data taken from electricity bills or meter readings.
Electricity consumption associated with external servers	Electricity consumption related to external data centres is calculated using the following formula: Number of servers hosted by external service providers * Annual start up time * Average server power (approx. 0.170 kWh according to ADEME)
Natural gas consumption	Natural gas consumption in m3 from 1 April of year N-1 to 31 March of year N. Data taken from natural gas bills or meter readings.
Scope 1, 2 and 3 CO_2 emissions	CO_2 emissions have been calculated using software from independent consulting firm O2m, in partnership with ADEME and the ABC. This tool measures carbon emissions using the Bilan Carbone® method.
Green taxonomy indicators	These indicators are required by a new EU directive (Taxonomy Regulation) that favours environmentally sustainable economic activities. An economic activity qualifies as environmentally sustainable if it meets the following criteria: 1/ it contributes to at least one of the six environmental objectives 2/ it does no harm to any of the six environmental objectives 3/ it is carried out in compliance with minimum safeguards (ILO conventions) The six environmental objectives are: 1/ Climate change mitigation 2/ Climate change adaptation 3/ Sustainable use and protection of water and marine resources 4/ Transition to a circular economy, waste management and recycling 5/ Pollution control 6/ Protection of ecosystems

Methodological limitations of the indicators

Indicators may present methodological limitations due to:

- lack of harmonisation of definitions and national/international legislation;
- representativeness of the metrics;
- practical methods of collecting and inputting data.

11. REPORT OF ONE OF THE STATUTORY AUDITORS

Report of one of the Statutory Auditors, designated as independent third party, on the audit of the consolidated non-financial statement

Financial year ended 31 March 2024

To the shareholders,

In our capacity as statutory auditors of your company (hereinafter the "Entity") designated as an independent third party accredited by COFRAC under number 3-1884, we have conducted work in order to give a reasoned opinion expressing a limited assurance conclusion on the historic information (actual or extrapolated) provided in the consolidated non-financial statement prepared in accordance with the entity's procedures (hereinafter the "Guidelines") for the financial year ended 31 March 2024 (hereinafter respectively the "Disclosures" and the "Statement"), as set out in the Group's management report in accordance with the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we have performed, as described in the section "Nature and scope of our work" and the information we have gathered, we did not identify any material misstatements causing us to believe that the consolidated non-financial statement does not comply with the applicable regulatory requirements and that the Disclosures, taken as a whole, are not presented fairly in all material respects in accordance with the Guidelines.

Preparation of the non-financial statement

The lack of generally accepted and commonly used reference framework or established practices on which to draw to assess and measure the Disclosures means that we can use different but acceptable measurement techniques that may affect the comparisons between entities and over time.

Therefore, the Disclosures should be read and understood in reference to the Guidelines the main elements of which are presented in the Statement (or available on the website or on request from the Entity's head office).

Inherent limitations to preparation of the Disclosures

The Disclosures may be subject to uncertainty inherent to the level of scientific or economic knowledge and the quality of external data used. Some information may be sensitive to choices of methodology, assumptions and/or estimates made to establish this information and presented in the Statement.

Entity's responsibility

It is the management team's responsibility:

- to select or establish appropriate criteria for preparing the Disclosures;

- to prepare a Statement in accordance with legal and regulatory requirements, including a description of the business model, the key non-financial risks, the policies pursued to address those risks and the outcomes of those policies, supported by key performance indicators, including key performance indicators, as well as the information required under Article 8 of Regulation (EU) 2020/852 (green taxonomy);

- to prepare the Statement in accordance with the Entity's Guidelines as mentioned above; and

- to set up the internal controls it deems necessary for preparing Disclosures that does not contain any material misstatements, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

Responsibility of the statutory auditor appointed as independent third party

Our responsibility is to provide a report based on our work expressing a limited assurance opinion on:

- the Statement's compliance with the provisions of Article R. 225-105 of the French Commercial Code;

- the sincerity of historical disclosures (actual or extrapolated) made pursuant to Article R. 225-105 I.3 and II of the French Commercial Code, i.e., the outcomes of the policies and action taken to address the key risks, supported by key performance indicators.

As it is our role to give an independent conclusion on the Disclosures as prepared by management, we are not authorised to be involved in the preparation of these Disclosures, as this could compromise our independence.

It is not our responsibility to comment on:

- the Entity's compliance with any other applicable legal and regulatory requirements (in particular those regarding the information required under Article 8 of Regulation (EU) 2020/852 (green taxonomy), the duty of care plan and anti-corruption and tax evasion legislation);

- the sincerity of the information required under Article 8 of Regulation (EU) 2020/852 (green taxonomy);

- the compliance of products and services with applicable regulations.

Regulatory requirements and applicable professional standards

The procedures described below were performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, in particular the technical opinion of the CNCC, Engagement of the statutory auditors, engagement of the independent third party – Non-financial statement, in lieu of a verification programme, and ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the code of conduct governing the audit profession. Furthermore, we have implemented a quality control system that includes documented policies and procedures designed to assure compliance with the applicable laws and regulations, ethical requirements and professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements.

Means and resources

Our work was performed by a team of four people between May and June 2024 and took a total of three weeks.

We referred to our specialists in sustainable development and social responsibility to assist us in our work. We conducted around 10 interviews with the people responsible for preparing the Statement.

Nature and scope of work

We have planned and carried out our work taking account of the risk of material misstatements in the Disclosures.

We believe that the procedures we performed, based on our professional judgement, are sufficient for us to provide a limited assurance opinion:

• We obtained an understanding of the business activities of all the entities included in the scope of consolidation and the description of the key risks;

• We assessed the appropriateness, completeness, reliability, neutrality and clarity of the Guidelines with due consideration of industry best practices, where applicable;

• We obtained assurance that the Statement covers each type of social and environmental disclosure set out in Article L. 225 102 1 III, as well as disclosures regarding respect for human rights and compliance with anti-corruption and tax evasion legislation, and includes, if applicable, an explanation where the disclosures required under Article L. 225-102-1, III, paragraph 2, have not been provided;

• We obtained assurance that the Statement contains the disclosures required under Article R. 225-105 II of the French Commercial Code where relevant with regard to the key risks;

• We obtained assurance that the Statement presents the business model and a description of the key risks associated with the activity of all entities included in the scope of consolidation, including where relevant and proportionate the risks associated with their business relationships, products or services, as well as the policies pursued, measures taken and their outcomes, supported by key performance indicators related to those key risks;

• We referred to the documentary sources and conducted interviews to:

 assess the process used to select and validate the key risks and the consistency of the outcomes, including the key performance indicators used, with regard to the key risks and policies presented; and

 corroborate the qualitative disclosures (actions and outcomes) that we considered to be the most important, as presented in the Appendix. For some risks, our work was conducted at the level of the consolidating entity. For other risks, work was conducted at the level of the consolidating entity and within a selection of entities.

• We obtained assurance that the Statement covers the consolidated scope, i.e., all the entities covered in the scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;

• We obtained an understanding of the internal control and risk management procedures in place at the Entity and assessed its data collection process to obtain assurance about the completeness and fairness of the Disclosures;

• For the key performance indicators and other quantitative outcomes that we considered to be the most important, we performed:

 analytical procedures to verify the correct consolidation of the data collected and the consistency of any changes in those data;

 tests of details, using sampling techniques or other means of selection, to verify the proper application of the definitions and procedures and to reconcile the data with the supporting documents. This procedure was carried out on a selection of contributing entities and covered between 20% and 100% of the data selected for those tests;

• We assessed the overall consistency of the Statement based on our knowledge of all the entities included in the scope of consolidation.

The procedures performed within the framework of a limited assurance audit are less extensive than those required for a reasonable assurance audit carried out in accordance with the professional guidance of the French Institute of Statutory Auditors (“CNCC”); a higher level of assurance would have required more extensive verification work.

Paris-La Défense, 19 June 2024

KPMG S.A.

Stéphanie Ortega
Partner

Fanny Houlliot
ESG Expert

Appendix

Qualitative disclosures (actions and outcomes) considered to be the most important
Internal promotion policy and outcomes
Employee benefits and other measures to develop human capital
Governance in terms of security
Prevention of risks to which employees may be exposed in the workplace
Measures to improve working conditions
Measures to reduce energy consumption
Measures to encourage waste recycling
Assessment of the carbon impact of operations and associated reduction measures
Measures to prevent corruption
Commitments and measures taken to ensure that suppliers and subcontractors uphold human rights an employment rights and protect the environment

Key performance indicators and other quantitative outcomes considered to be the most important
Total headcount at the end of the financial year and breakdown by gender
Average number of training hours per employee
Staff turnover (categorised and non-categorised)
Absenteeism
Proportion of women in managerial roles
Percentage of employees with disabilities
Frequency of occupational accidents
Severity of occupational accidents
Electricity consumption
Natural gas consumption
Paper and cardboard consumption
Amount of paper and cardboard recycled
Scope 1, 2 and 3 CO_2 emissions