EXCLUSIVE
NETWORKS

Sustainability
Report

FY 2023

Contents

Message from the Chief Executive Officer

At a time when sustainability initiatives are shaping the future, cybersecurity is a crucial pillar in securing these efforts.

Exclusive Networks shares the belief that the security and resilience of digital infrastructure are paramount to the success of global sustainability initiatives. These include:

- protecting the data integrity of smart city projects. The latter are expected to attract a global investment of $2.57 trillion by 2025, according to Grand View Research[1];

- the reliability of energy transitions, with cybersecurity proving to be a key enabler of the integration of renewable energy sources, according to the International Energy Agency[2]; and

- protecting SMBs, which are the victims of 43% of global cyberattacks. However, 60% of victims cease their activity within six months[3].

Cybersecurity is crucial to promoting social equity and business continuity.

This understanding is at the heart of our sustainability strategy for 2024-2030.

Our strategy combines our deep expertise in cybersecurity with our commitment to environmental and social responsibility. It includes improving our operations, partnering with our supply chain to expand our impact, and helping to advance the digital ecosystem as a whole.

At the heart of our strategy is our commitment to nurturing and guarding the future of cybersecurity.

We are committed to training the next generation of cybersecurity experts, providing comprehensive training and development programmes within our Exclusive Academy.

We also invest in the personal development of our employees through targeted training in cybersecurity, sustainability and leadership.

With a focus on both career development and personal skills, we promote employees who are not only competent but also deeply aligned with our sustainability values.

Our strategy is aligned with global sustainability frameworks such as the Global reporting Initiative (GRI), the United Nations Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB) and the Corporate Sustainability reporting Directive (CSRD), demonstrating our holistic approach to sustainability and underscoring our commitment to transparency and accountability.

Our adherence to the Science-Based Targets initiative (SBTi), the EcoVadis Bronze rating and participation in the Carbon Disclosure Project (CDP) are a testament to our ongoing sustainability efforts.

These achievements, while significant, are just a beginning. We are driven by the immense potential of our journey towards a sustainable and secure digital future.

Together with our partners, employees and stakeholders, we are enthusiastically exploring these opportunities, guided by our shared values and a vision of a world where sustainability and cybersecurity go hand in hand.

(1) Report: Smart Cities Market Size Worth $2.57 Trillion by 2025 | Grand View Research, Inc.
(2) Report: Net Zero by 2050: A Roadmap for the Global Energy Sector, IEA 2021.
(3) 2023 Cybersecurity Almanac: 100 Facts, Figures, Predictions, and Statistics (cybersecurityventures.com).

1 Business model

A Global Cybersecurity

Sector TRENDS

A $50 bn accessible market growing by 92% in 4 years

High needs for cybersecurity: a strategic risk, rising number of attacks

Increasingly complex range of products and solutions

RESOURCES

Experts

> **Over 2,658 employees**
- **22.1%** of engineers
- **41.5%** of sales
- **44%** women / **56 %** men

Intellectual capital

Unique knowledge of cybersecurity solutions
- **A single robust governance system** bringing together experienced experts

Exclusive Training Centres (ETCs)
- Delivering worldwide technical education and accreditation

Relational capital

Worldwide scale, local implementation
- **40+** warehouses
- **4** main logistic centres
- Trusted relationships with more than **20,000 reseller partners**
- (Local) resellers reach a global customer base
- (Local) vendors reach a global customer base

Natural capital

- **Climate plan**
- Focus on the **circular economy**

Financial capital

- **Strong balance sheet**
- Company listed on Euronext CAC Small, CAC Mid&Small, CAC All-tradable and MSCI Global Small Cap Index

VISION

A fully reliable digital world, made more secure by the most innovative technologies

UNIQUE POSITIONING
in a complex ecosystem

DIVERSIFIED VENDORS,
emerging, established

EXCLUSIVE NETWORKS

RESELLER PARTNERS:
consulting, systems integrators, managed services providers

THOUSANDS OF ORGANIZATIONS
to protect

5 STRATEGIC PILLARS

Take advantage of the underlying growth of our vendors and the wider Cybersecurity market in current geographical regions

Extend the geographical coverage of our partnerships with our existing vendors

specialist

✳ MISSION

Be the most trusted digital infrastructure specialist and the gateway to the most innovative cybersecurity technologies.
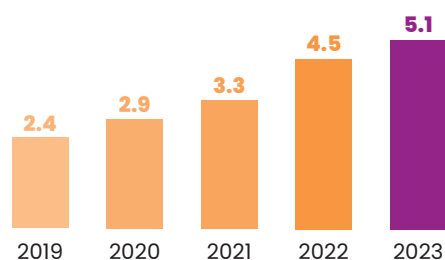
SUSTAINABLE GROWTH

20 ACQUISITIONS in 10 years
INCLUDING INGECOM AND CONSIGAS in 2023

31% CAGR
between 2013 and 2023

Strong track record of profitable growth

GROSS SALES
(€bn)

2019	2020	2021	2022	2023
2.4	2.9	3.3	4.5	5.1

Enter into new partnerships
with cybersecurity solutions providers to complement the solutions offered in our portfolio

Develop our services range
to strengthen our value offering and boost customer loyaltys

Pursue our external growth strategy
with targeted acquisitions

IMPACTS & ACHIEVEMENTS

For our employees

- **31 employees** in the Rise Up Top Talents programme
- **10 hours of training** per employee
- Strong engagement **71%**
- **4.7 years** average tenure

For our customers and partners

- **170 Countries** served
- **1,500 tonnes** of freight transported
- **20,000 tickets** in Europe
- **11,000 partners** and customer trained in cybersecurity
- **Ethical audits performed on 100%** of our high-risk third parties

For society and the planet

- **14.3%** reduction in Scope 3 emissions per revenue unit compared to 2022: (**174 ktCO$_2$e**/€ billion) to (**149 ktCO$_2$e**/€ billion)
- **18%** of our electricity comes from renewable energy
- Our carbon commitments: **-40% reduction by 2030 in scopes 1 and 2**
- A first intake of 20 students at the Exclusive Academy

For our shareholders

- **20 years of profitable growth**
- Global coverage and extension of business lines thanks to **20 acquisitions in 10 years**
- Asset-light model: **>124%** in 2023
- Partner of choice in our ecosystem:
  - >> Accelerate marketing capacity
  - >> Boost development of partners, of all types (GSI, SI, VAR, MSSP, etc.)

FINANCIAL PERFORMANCE 2023

€5.145 bn Gross sales
25% Hardware
49% Software
26% Support & Maintenance

€186 M
Adjusted EBIT

39.7%
Operating leverage

€254 M
Operational Free Cash-Flow adjusted

2 Sustainability strategy 2024-2030

Exclusive Networks is committed to a transformative sustainability strategy that links cybersecurity to ESG (Environmental, Social and Governance) topics.

The approach is built on a multi-faceted analysis involving, among others, stakeholder engagement, risk assessment and strategic business considerations.

2.1 Cybersecurity at the service of sustainability

Exclusive Networks' expertise in cybersecurity is a cornerstone of its sustainability strategy. It secures key growth areas for the global economy in general and more specifically for major sustainability projects and initiatives such as smartification (the digitisation and connectedness of things and organisations), the energy transition and cloud adoption. Cybersecurity protects and enhances social equity and ensures that the advancement of technology does not come at the expense of the environment.

Cybersecurity securing sustainability

SMARTIFICATION

By 2030, the TAM* value across industries for IoT suppliers could reach the range $625B to $750B

ENERGY TRANSITION[3]

$4 trillion/year by 2030 to reach net zero emissions by 2050

CYBERSECURITY

SUSTAINABILITY

SOCIAL EQUITY[2]

43% of cyber attacks target SMBs, of which 60% of victims go out of business within six months.

CLOUD ADOPTION[1]

Only 20 to 30% of Industries are using Cloud regularly and at scale

TAM: target addressable market

(1) Article Mckinsey : Cybersecurity for the IoT: How trust can unlock value, 17 April 2023
(2) Cybersecurityventures.com
(3) Report: Net Zero by 2050: A Roadmap for the Global Energy Sector, IEA 2021

2.2   Strategy development process

The strategy has been developed through a rigorous process that integrates, among other things, material issues for the Group, elements of international frameworks (GRI, SASB for example) and sustainability best practices, the particularity of Exclusive Networks' field of activity, risks and market opportunities. This holistic approach ensures the strategy is aligned with our central goal of securing a sustainable and equitable future.

SUSTAINABILITY STRATEGY

Improve our Operations

Reduce our Carbon footprint
Attract and Retain Talent
Bridge Cybersecurity and Sustainability

We Secure a Sustainable & Equitable Future

Partner with Supply Chain

Train our resellers on CyberESG
Partner with our vendors on shared goals
Continue to ensure the integrity of our Business Partners

Advance the Ecosystem

Embed cybersecurity in the sustainability agenda
Train Cybersecurity experts of the future
Partner with non-profit organizations to promote cyberESG

2.3   Strategic pillars

Improve our Operations	Partner with Supply Chain	Advance the Ecosystem
We aim to create more efficient and lower carbon-emitting operations, while fostering an environment where talent thrives and sustainability is a shared goal.	Our strategy is extended to include our supply chain partners, with whom we aim to co-create a more sustainable and resilient network.	We are committed to promoting the integration of cybersecurity into the sustainability agenda, recognising its pivotal role in ensuring a safer and greener future.

2.4   Interaction between the sustainability strategy and the business model

Each pillar of the strategy is mapped out to Exclusive Networks' material issues (refer to the sustainability commitment table 5). This mapping directly influences the Group's sustainability commitments and actions, such as improving its employee engagement rate and reducing greenhouse gas (GHG) emissions, while monitoring progress with clear and quantifiable objectives.

For each commitment, specific actions to be taken have been defined, such as the implementation of energy management systems and circular procurement strategies. Ambitious targets for 2023 and beyond have been set, with progress markers to clarify our commitment.

2.5   CyberESG Initiative

The CyberESG initiative underpins the strategy with four key programmes:

- certification: empowering Employees with Knowledge that combines cybersecurity and sustainability;
- partner: enabling resellers to adopt and promote sustainable practices;
- podcast: sharing insights and fostering discussion on sustainability efforts through engaging conversations with industry leaders; and
- snippets: raising awareness and engaging a wider audience through pedagogical content on social media and blogs.

3   Sustainability governance framework

Exclusive Networks presents a comprehensive governance framework to guide the implementation and monitoring of its sustainability strategy for the 2024–2030 period.

This governance framework is designed to closely align with the Group's objectives and sustainability commitments, ensuring an integrated approach at all levels of the organisation.

3.1   Mission

Exclusive Networks is committed to securing a sustainable and equitable future, delivering long-term value to its stakeholders. This involves embedding sustainability into every facet of its operations and culture, underscoring its commitment to responsible and ethical business practices.

3.2   Scope and objectives

Exclusive Networks' governance framework encompasses all sustainability initiatives within Exclusive Networks with the main objectives of:

- aligning with global sustainability standards;
- defining clear roles and responsibilities;
- establishing measurable sustainability goals and performance indicators;
- ensuring accountability and transparency in sustainability reporting; and
- promoting stakeholder engagement and drive continuous improvement.

3.3   Governance Structure

The effectiveness of the 2024-2030 sustainability strategy is provided by a governance structure to be implemented in the first quarter of 2024. This organisation is supported and approved by the Company's Board of Directors, which is essential for integrating sustainability into its core processes. This structure includes several key instances covering all geographies:

Sustainability Governance Structure

Boards of Directiors	Decision-making, Validation of strategy and initiatives
Deliberation	
Sustainability Committee	Deliberation on strategic direction, Policy development, IROs and material topics
Sustainability Working Group ↔ Sustainability Management	Implementation and management of sustainability initiatives across geographies and departments
Sustainability Reporting Team	Ensures compliance with reporting standards and effective communication
Reporting	
Sustainability Champions	Ensures the proper transmissions of information across geographies and departments

Board of Directors

The Board of Directors decides on all decisions relating to the Group's strategic orientations, which include the Group's societal and environmental aspects. It ensures that they are implemented by the Executive Committee.

The Chief Executive Officer is a member of the Sustainability Committee (see below), facilitating a flow of information and ensuring strategic alignment at the highest level.

Sustainability Committee (SSC)

This committee includes the Chief Executive Officer, members of the Executive Committee and key stakeholders to be determined by the Committee.

This Committee will focus on strategic direction, policy development and decision-making, including the validation and recommendation of Impacts, Risks and Opportunities (IROs) and material topics.

This Committee will support the culture of impact in the workplace by inviting the Group's employees to contribute to sustainability initiatives, sponsoring some of these initiatives and leading by example where possible.

The Chair of the SSC provides overall leadership for sustainability efforts. This role involves chairing SSC meetings, setting the agenda for sustainability discussions, and ensuring decisions are aligned with both our sustainability goals and the overall corporate strategy.

Sustainability Working Group (SWG)

The working Group is made up of an operational team drawn from various business units and geographies.

This Group is responsible for the implementation and management of sustainability initiatives.

The Head of the SWG plays a crucial role in managing the day-to-day execution of sustainability initiatives, including coordinating efforts across different business units, ensuring that initiatives are implemented effectively and aligning efforts with the strategic directions provided by the SSC. The Head of the SWG also serves as a liaison between the SSC and the operational teams, ensuring that feedback and perspectives from the field are incorporated into strategic discussions.

Sustainability Department

It provides coordination and advice for both the SSC and SWG Groups.

Sustainability Reporting Team (SRT)

Specialised in data collection, analysis and preparation of sustainability reporting, this team will ensure compliance with reporting standards and effective communication.

It is formed by:

- a project manager (PM), who is responsible for overseeing the collection, analysis, and reporting of sustainability-related data. He/she will ensure effective coordination and communication between different internal and external stakeholders, consistency with the management report, compliance with international reporting standards and timeliness. By providing accurate and timely data, the PM enables informed decision-making and helps track progress towards our sustainability goals;

- a project specialist who will support the drafting of the report and the verification of the various sections and the coordination with the reporting agency; and

- a Sustainability Leader who will bring his/her expertise in sustainability, verify alignment with the various international sustainability standards and establish the methodology for data collection and calculation of indicators.

Sustainability Champions

Sustainability Champions, corresponding between sustainability initiatives and different geographies and departments. Sustainability Champions will be required to have completed in-house training on sustainability topics and achieved a minimum of Level 1 CyberESG certification.

The assignment of responsibilities between different Groups and individuals within the organisation is designed to leverage diverse expertise and facilitate cross-functional collaboration, ensuring that sustainability is integrated into all aspects of business operations.

All levels supporting the Board of Directors are members of the CyberESG Community.

3.4   Membership requirements for the CyberESG community

Members are required to:

- Pass at least Level 1 of internal sustainability training, which covers the basic principles and practices of sustainability.

- Participate regularly in strategic meetings and reviews.

- Act as sustainability champions within their respective departments via LinkedIn and internal communication channels (newsletters, Teams, Slack, and emails).

4 Analysis of material Impacts, Risks and Opportunities (IROs)

## 4.1 Process for analysing double materiality

Stakeholders

As part of its materiality analysis work, the Group has established a matrix of relevant stakeholders. These include, within the meaning of the Corporate Sustainability reporting Directive (CSRD), those affected by the Group's activities as well as those interested in the Group's sustainability information (investors, regulators, suppliers, etc.).

In terms of granularity, the entire value chain of the Company and associated stakeholders was taken into consideration.

The different time horizons (short, medium and long term) were also taken into account.

Stakeholders Mapping
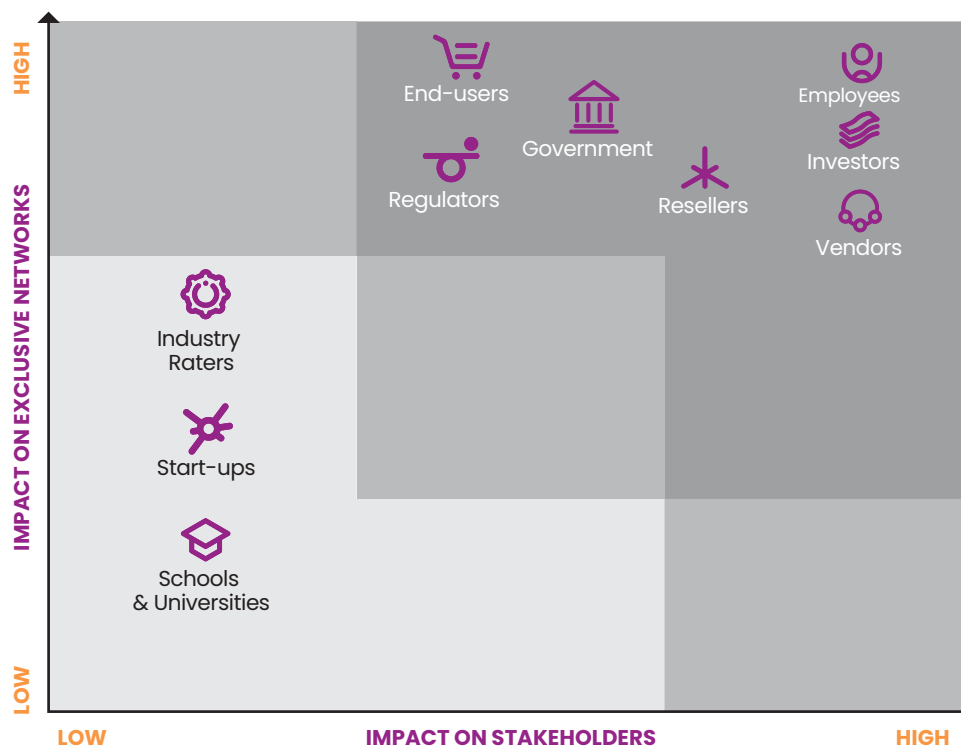
Selection of Issues and Double Materiality

In 2022, Exclusive Networks produced, for the first time, its materiality matrix in non-financial matters, in collaboration with an independent consulting firm. The firm worked with a panel of internal qualified individuals from various departments (CSR, finance, risk) to identify and prioritise the most significant sustainability issues for the Group and its stakeholders.

The 4 main **issues** identified at the end of this first exercise were as follows:

1. the ability to attract and retain talent, as well as the lack of skilled human resources;
2. bribery and corruption and other regulatory compliance issues;
3. cybersecurity; and
4. the ability to reduce the environmental footprint.

In 2023, the work carried out was revised and improvements were made to the materiality matrix, in particular by aligning material issues with the Sustainability Accounting Standards Board (SASB) methodology. This approach has made it possible to refine the nomenclature and align with the best practices recommended by the SASB. The results of this work were presented to stakeholders for validation.

The **13 SASB Challenges** for Exclusive Networks' sector are:

- environmental footprint of physical infrastructure;
- data privacy and freedom of expression;
- product Safety;
- data security;
- employee diversity and inclusion;
- recruiting and managing a global, diverse, and skilled workforce;
- workforce diversity and engagement;
- product lifecycle management;
- supply chain management;
- material sourcing;
- professional integrity;
- intellectual property protection and competitive conduct; and
- managing systemic risks from technological disruptions.

This reflection on the material issues was then revised to develop the double materiality matrix based largely on the regulatory framework of the CSRD directive. The intention is to prepare for the full application of the Directive for the financial year 2025.

Thus, we have aligned the titles of our challenges with those recommended in the CSRD's European Sustainability reporting Standards (ESRS) nomenclature for a better transparency and understanding of our challenges.

The sustainability issues selected are analysed from the perspective of double materiality (financial materiality and impact materiality). This principle is a central element of the European regulator's approach to structuring future sustainability strategies. It involves thinking about the issues in terms of risks and associated opportunities.

The issues selected for the materiality matrix cover all the themes listed by the ESRS standards, delegated acts of the CSRD.

These generic themes have been translated into a list of some twenty qualified issues for the Group. The trade-offs related to this selection from a more exhaustive list of issues are documented.

For each of the issues, the Group's impacts (actual or potential, positive or negative), as well as the risks and opportunities that affect or could affect it have been identified. At the identification stage, issues that have already materialised as well as emerging issues and more prospective issues have been considered.

These different horizons fed the initial reflection: they did not, however, intervene in the listing.

This approach has made it possible to enrich the Group's sustainability strategy, as detailed in section 3.2, by considering the impacts, risks and opportunities identified.

CSRD issues selected

16 issues were selected for the double materiality matrix (according to the CSRD classification), ranked below according to the 3 dimensions of ESG:

- dimension E (2 issues = 6 sub-issues)
  - climate Change (ESRS-E1-Issue);
  - circular Economy (ESRS-E5-Issue).
- dimension S (8 sub-sub-issues)

  key issue: Own workforce (ESRS-S1)
  - social Dialogue (ESRS-S1-Sub-sub-issue);
  - work-Life Balance (ESRS-S1-Sub-sub-issue);
  - health & Safety (ESRS-S1-Sub-sub-issue);
  - gender Equality and Equal Pay for Work of Equal Value (ESRS-S1- Sub-sub-issue);
  - training and Skills Development (ESRS-S1- Sub-Sub-Issue);
  - diversity (ESRS-S1-Sub-sub-issue);
  - privacy (ESRS-S1-Sub-sub-issue);
  - key issue: Consumers and End-Users (ESRS-S4);
  - privacy (ESRS-S4-Sub-sub-issue).
- the G-Dimension (2 sub-issues)
  - vendor Relationship Management Including Payment Practices (ESRS-G1-Sub-issue);
  - corruption and Bribery (ESRS-G1-Sub-iss.ue)

CSRD issues not considered

CSRD issues (included under issues and sub-sub-issues) were not included in the double materiality analysis for the following reasons:

- due to the lack of a direct link with the Group's activity, the ESRS-E2 (Pollution), ESRS-E3 (Water and Marine Resources), and ESRS-E4 (Biodiversity and ecosystems) issues;
- for their limited impact on the Group (and vice versa): the issues not mentioned above, such as: ESRS-S2 (Workers in the Value Chain) and ESRS-S3 (Affected Communities).

In the following graphic, we offer a representation of Exclusive Networks' sustainability issues. To simplify reading, identification and comparisons, we have opted for the titles of the issues as mentioned in the ESRS:

Double Materiality Matrix
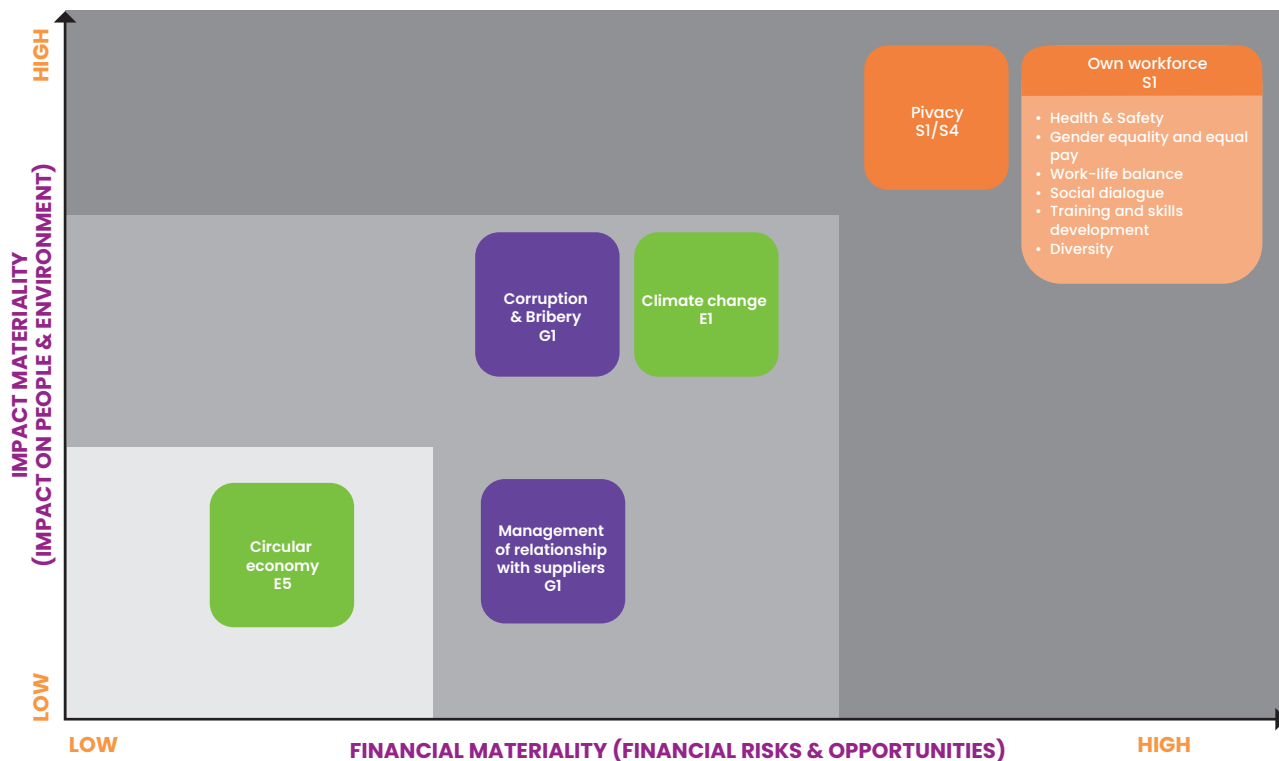
4.2   Key ESG-related risks and opportunities identified

The main environmental, social, human rights and corruption risks linked to the main challenges identified above:

CHALLENGES	IMPACTS	RISKS	OPPORTUNITIES
Climate change E1	The Group's ability to reduce its carbon Direct and indirect consumption of fossil fuels for logistics, transport, and the use of cybersecurity equipment by end-users.	Carbon tax	Low-carbon trajectory.
		Energy price increase	Possible economic gains associated with energy sobriety.
		restrictive regulatory framework	Switch to **electric or hybrid vehicles**. Switch to **renewable** energy for the use of electricity. Improve **energy efficiency** in operations. Implement **energy management systems**
Circular Economy E5	The Group's ability to reduce its carbon	Regulatory shift towards more e-waste requirements	Positive reputational impact
	The Group's ability to reduce its e-waste		Build customer loyalty through (Takeback) CyberCircular Programme
			Supporting communities

CHALLENGES	IMPACTS	RISKS	OPPORTUNITIES
Privacy S1 (Own workforce)	Loss of employee trust	Breach of personnel data leading to legal consequences	Implementing and promoting robust privacy protections can enhance reputation and position Exclusive Networks as a leader in data privacy and security.
Privacy S4 (Consumers and end-users)		Breach of customer data resulting in loss of trust, financial penalties, and reputational damage.	Implementing and promoting robust privacy protections can enhance reputation and position Exclusive Networks as a leader in data privacy and security.
Health and safety S1	Employees working in warehouses can be exposed to occupational injuries	damage to its reputation and operational difficulties	
Gender equality and equal pay S1	Social malaise	Loss of business continuity and reputational risks	strengthen expertise within teams, as well as an increased capacity for innovation.
Work-life balance S1	Absenteeism and workplace accidents	Increase in turnover	Positive contribution to the employer brand.
Social dialogue S1	Social malaise	Loss of business continuity and reputational risks	Internal cohesion
Training and skills development S1	Developing sustainable and ethical supply chains can create shared value, resilience against disruption, and strengthen the company's ESG profile	Loss of innovation capacity and competitiveness	Maintenance of differentiating know-how and interpersonal skills
Diversity S1		Unattractiveness and reputation of the company	Strengthen expertise within teams, as well as an increased capacity for innovation.
Corruption and bribery G1		Legal penalties, loss of business and reputational damage due to engaging in or being a victim of corruption and bribery	Establishing a reputation for high ethical standards can differentiate Exclusive Networks from competitors and build trust with partners and customers
Supplier relationship management G1		Vendor-related disruptions or unethical practices that reflect negatively on Exclusive Networks	Developing sustainable and ethical supply chains can create shared value, resilience against disruption, and strengthen the company's ESG profile

5 Exclusive Networks' sustainability commitments

Pillars of our strategy	Material Topics ESRS Mapping*	Our Commitments	Actions	Progress 2022	Progress 2023
Improve our operations (SDG 8, 13, 5)	**Comprehensive Talent Management** * ESRS : Social Dialogue, Balance between professional life and Privacy, Health & Safety, Gender Equality and Gender Equality Remuneration for work of equal value, Training and development of Skills, Diversity **S1**	Increase our employee engagement rate from 71% to 77% by 2025, base year 2022	Develop a **Performance Culture** built on : Clear recognition based on employees' performance Leaders **Education** **Feedback** culture and proper **onboarding**	72%	71%
		Increase the % of women in senior management roles from 34% to 40% by 2025, base year 2022	Monitor the **Diversity** ratio for Management roles	34%	38%
	Ethics * ESRS : Corruption & Bribery **G1**	Train 100% of employees on **DE&I, Sustainability** and **Ethics** by 2025, base year 2023	Implement trainings and certification Programmes	NA	D&I : 84% Ethics: 100 % Sustainabiliy: NA
	Cybersecurity * ESRS : Privacy **S1** **S4**	Reduce our **Cyber Exposure Score** from Medium to Low by 2025	Additional **SOC** reporting to address **vulnerabilities** Weekly meetings to identify vulnerabilities Collaboration with Digital Workplace team	Medium	Low
	Energy Management/ Scope 1-2 * ESRS : Climate change **E1**	Reduce **absolute Scopes 1 & 2 GHG emissions** by 40% in 2030 , base year 2022	Switch to **Electric or Hybrid of Vehicles**, Switch to **Renewable** Energy of Electricity use Upgrade in **Energy efficiencies** in operations Implement **Energy Management Systems**	Baseline	Scope 1 : –5% Scope 2 : +10%
Partner with supply chain (SDG 13, 17, 12)	**Product Lifecycle Management** * ESRS : Circular Economy **E5**	**Recycle** 100% of **end-of-life products** by end of 2030, base year 2024	**Circular** Procurement Strategies	NA	NA
	Energy Management/ Scope 3 * ESRS : Climate change **E1**	Reduce **Scope 3 emissions per unit of revenue** value added by 33% in 2030, base year 2022	Supplier Engagement for **Sustainable Practices** **Optimize** Logistics Product Redesign for **Efficiency** Remote Working and Public Transport **Incentives**	Baseline (174 ktCO$_2$e/ Billion €)	–14,3% (149 ktCO$_2$e/ Billion €)
	Export Control * ESRS : Management of Relationship with Suppliers **G1**	Ensure the **integrity** of 100% our Business Partners by 2023	Digital Partner **Onboarding** mandatory	NA	100 %
Advance the ecosystem (SDG 8, 17)	**Human Resource Adequacy and Capability** * ESRS : Training & Skills Development **S1**	Reduce the **skills gaps** in the cybersecurity sector	**Exclusive Academy** Programme training and certification of partners and customers	11,163 trainees	12,138 trainees

6 Environmental Information

6.1 Governance of environmental questions

Exclusive Networks is committed to embedding environmental governance in the core of its overall sustainability strategy. This governance is supported by the decision-making and implementation bodies of the ESG strategy.

6.2 Reporting on the Green Taxonomy regulation

Context

Exclusive Networks, a global leader in cybersecurity and cloud solutions, is committed to a sustainability approach that aligns with the most demanding international standards.

In this context, the Group follows the regulatory requirements for the disclosure of information related to the European Union's Green Taxonomy, an ambitious initiative aimed at standardising the classification of economic activities according to their contribution to environmental sustainability.

This approach not only accurately and transparently measures the share of activities aligned with sustainability goals, but also guides investment decisions towards more environmentally friendly practices.

Although the Group is highly committed to a sustainability approach that aims to support international commitments, and in particular European ones, its activities are not included in the scope of the taxonomy. Indeed, they are not among the sectors with the largest environmental footprint, nor do they directly contribute to reducing this footprint.

On the other hand, when the Group incurs capital or operating expenses, it considers whether or not they are aligned with the green taxonomy criteria.

It should be noted that to date, the Group's efforts to limit its footprint, for example the replacement of its vehicle fleet or the switch to renewable energies, are not covered by this regulation.

For the second year, an assessment of the eligibility of all the Group's consolidated activities was carried out on the basis of:

1. Delegated regulation 2023/2486 of 27 June 2023; and

2. an analysis of all activities within its various consolidated entities (interviews conducted by the Sustainability Department with the Finance Department, the Operations Department and the Strategy Department).

By integrating the rigorous criteria of the Green Taxonomy into its operations, Exclusive Networks is firmly committed to achieving the objectives of the European Green Deal, and actively contributes to the fight against climate change.

In the following sections, it will detail the key performance indicators that the Group will use to assess and communicate alignment with the Green Taxonomy, underlining the continued commitment to a more sustainable and responsible economy.

Revenue Indicator

As described in the business model presented see above in section 1, the Exclusive Networks group is a global cybersecurity specialist that markets a wide range of services and products to its partners and end customers. These activities are not listed in the annexes to Delegated regulation (EU) 2023/2486 of 27 June 2023 as contributing substantially to the six environmental objectives (CCM, CCA, WTR, EC, PPC, BIO), either by virtue of their SIN Code or by virtue of their description. As such, they are not eligible.

For the year 2023, the share of the Exclusive Networks group's revenue from services or products related to economic activities aligned with the Taxonomy is 0%.

Share of turnover from products or services associated with Taxonomy-aligned economic activities – information for the year 2023

Financial year 2023		2023		Substantial Contribution Criteria					
	Code (a) (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
Economic Activities (1)	OBJ X.X	Currency	%	Y;N; N/EL (b) (c)	Y;N; N/EL (b) (c)	Y;N; N/EL (b) (c)	Y;N; N/EL (b) (c)	Y;N; N/EL (b) (c)	Y;N; N/EL (b) (c)
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Activity 1			%						
Activity 1 (d)			%						
Activity 2			%						
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0€	0%	%	%	%	%	%	%
Of which Enabling		€	%	%	%	%	%	%	%
Of which Transitional		€	%	%					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)									
				EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)
Activity 1 (e)			%						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0€	0%	%	%	%	%	%	%
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**0€**	**0%**	**%**	**%**	**%**	**%**	**%**	**%**
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		1,559 M€	100 %						
Total (A. + B.)		**1,559 M€**	**100 %**						

	DNSH criteria ('Does Not Significantly Harm')(h)						Garanties mini-males (17)	Propor-tion of Taxo-nomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transi-tional activity (20)
	Climate Change Mitigation (11)	Climate Change Adapta-tion (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiver-sity (16)				
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
	Y	Y	Y	Y	Y	Y	Y	%		
	Y	Y	Y	Y	Y	Y	Y	%	E	
	Y	Y	Y	Y	Y	Y	Y	%		T
	Y	Y	Y	Y	Y	Y	Y	0%		
	Y	Y	Y	Y	Y	Y	Y	%	E	
	Y	Y	Y	Y	Y	Y	Y	%		T
								%		
								0%		
								0%		

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities per environmental objective – disclosure covering year 2023

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Capital Expenditure (Capex) Indicator

The Capex to be considered corresponds to new acquisitions of property, plant and equipment and intangible assets during the year, before depreciation, amortisation or revaluation. Thus, the new rights of use of the leased properties are taken into account as soon as the leases are signed, and not the financing terms. Capital expenditures also include new assets resulting from business combinations completed during the year.

For 2023, the amount of these capital expenditures amounts to €16.3 million for the Exclusive Networks group, broken down as follows:

- intangible assets: €2.0 million for IT developments;

- property, plant and equipment: €5.4 million, corresponding to demonstration and office equipment; and

- right of use: €8.9 million for new leases and vehicle leasing contracts.

Eligible capital expenditure is the following:

- related to potentially sustainable activities;

- part of a plan to make an activity sustainable or expand such an activity; and

- related to economic activities referred to as "eligible individual measures" in the Taxonomy to reduce the Company's environmental footprint, such as expenses related to premises, vehicles and data hosting.

Within the meaning of Delegated regulation (EU) 2023/2486 of 27 June 2023, as the activities of the Exclusive Networks group are not considered to contribute substantially to the six environmental objectives (CCM, CCA, WTR, EC, PPC, BIO), they are not eligible as such. Therefore, only capital expenditure under individual measures can be taken into account.

As the Exclusive Networks group did not incur any capital expenditure for the year 2023 under these individual measures, the share of the Group's Capex relating to eligible economic activities and consequently aligned with the Taxonomy is not significant.

Share of Capex from products or services associated with taxonomy-aligned economic activities – information for the year 2023

Financial year 2023		2023		Substantial Contribution Criteria						
Economic Activities (1)	Code (a) (2) OBJ X.X	CapEx (3) Currency	Propor-tion of CapEx, year N (4) %	Climate Change Mitiga-tion (5) Y ; N ; N/EL (b) (c)	Climate Change Adap-tation (6) Y ; N ; N/EL (b) (c)	Water (7) Y ; N ; N/EL (b) (c)	Pollu-tion (8) Y ; N ; N/EL (b) (c)	Circular Eco-nomy (9) Y ; N ; N/EL (b) (c)	Biodi-versity (10) Y ; N ; N/EL (b) (c)	
A. Taxonomy-eligible activities										
A.1. Environmentally sustainable activities (Taxonomy-aligned)										
Activity 1			%							
Activity 1 (d)			%							
Activity 2			%							
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0€	0%	%	%	%	%	%	%	
Of which Enabling		€	%	%	%	%	%	%	%	
Of which Transitional		€	%	%						
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)				EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	
Activity 1 (e)			%							
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0€	0%	%	%	%	%	%	%	
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**0€**	**0%**	**%**	**%**	**%**	**%**	**%**	**%**	
B. Taxonomy-non-eligible activities										
CapEx of Taxonomy-non-eligible activities		16 M€	100%							
TOTAL (A. + B.)		**16 M€**	**100%**							

DNSH criteria ('Does Not Significantly Harm')(h)						Garanties mini-males (17)	Propor-tion of Taxo-nomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transi-tional activity (20)
Climate Change Mitigation (11)	Climate Change Adapta-tion (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiver-sity (16)				
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	%		
Y	Y	Y	Y	Y	Y	Y	%	E	
Y	Y	Y	Y	Y	Y	Y	%		T
Y	Y	Y	Y	Y	Y	Y	0%		
Y	Y	Y	Y	Y	Y	Y	%	E	
Y	Y	Y	Y	Y	Y	Y	%		T
							%		
							0%		
							0%		

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities per environmental objective – disclosure covering year 2023

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Operating Expense (or OPEX) Indicator

OPEXs to consider include:

- related to eligible activities;
- part of a plan to expand an activity or make an activity sustainable; and
- related to economic activities referred to as "individual measures" in the Taxonomy to reduce the Company's environmental footprint, such as expenses related to premises, vehicles and data hosting.

Not all operating expenses are to be taken into account. Only R&D costs, building renovation costs, short-term lease charges, maintenance, servicing and repair costs of assets as well as any other direct expenses related to the routine maintenance of tangible assets necessary for their proper functioning are to be considered.

For the full year 2023, operating expenses amounted to €353.5 million for the Exclusive Networks group, broken down as follows:

- personnel costs: €199.6 million;
- asset depreciation: €73.1 million; and

- other current and non-recurring operating expenses: €80.8 million, of which €26.6 million correspond to external expenses.

The Exclusive Networks group's business model is essentially based on human resources. As a result, operating expenses consist mainly of personnel costs, asset depreciation, and other operating expenses such as rent, travel, marketing and advertising expenses, which do not fall within the scope defined in the Taxonomy. In addition, the Group does not have any expenses related to Research and Development.

Within the meaning of Delegated regulation (EU) 2023/2486 of 27 June 2023, as the activities of the Exclusive Networks group are not considered to contribute substantially to the six environmental objectives (CCM, CCA, WTR, EC, PPC, BIO) they are not eligible. Therefore, only operating expenses that fall within the scope of individual measures can be taken into account.

As the Exclusive Networks group did not incur any operating expenses for the year 2023 under these individual measures, the share of the Group's OPEX expenses relating to eligible economic activities and consequently aligned with the Taxonomy is not significant.

Share of OPEX for products or services associated with Taxonomy-aligned economic activities – information for the year 2023

Financial year 2023		2023		Substantial Contribution Criteria					
Economic Activities (1)	Code (a) (2) OBJ X.X	CapEx (3) Currency	Propor-tion of OpEx, year N (4) %	Climate Change Mitiga-tion (5) Y ; N ; N/EL (b) (c)	Climate Change Adap-tation (6) Y ; N ; N/EL (b) (c)	Water (7) Y ; N ; N/EL (b) (c)	Pollu-tion (8) Y ; N ; N/EL (b) (c)	Circular Eco-nomy (9) Y ; N ; N/EL (b) (c)	Biodi-versity (10) Y ; N ; N/EL (b) (c)
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Activity 1			%						
Activity 1 (d)			%						
Activity 2			%						
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0€	0%	%	%	%	%	%	%
Of which Enabling		€	%	%	%	%	%	%	%
Of which Transitional		€	%	%					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)				EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)	EL ; N/EL (f)
Activity 1 (e)			%						
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0€	0%	%	%	%	%	%	%
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**0€**	**0%**	**%**	**%**	**%**	**%**	**%**	**%**
B. Taxonomy-non-eligible activities									
OpEx of Taxonomy-non-eligible activities		353.5 M€	100%						
Total (A. + B.)		**353.5 M€**	**100%**						

DNSH criteria ('Does Not Significantly Harm')(h)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Garanties minimales (17)			
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	%		
Y	Y	Y	Y	Y	Y	Y	%	E	
Y	Y	Y	Y	Y	Y	Y	%		T
Y	Y	Y	Y	Y	Y	Y	0%		
Y	Y	Y	Y	Y	Y	Y	%	E	
Y	Y	Y	Y	Y	Y	Y	%		T
							%		
							0%		
							0%		

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities per environmental objective – disclosure covering year 2023

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Legend	
(a)	The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.: • Climate Change Mitigation: CCM • Climate Change Adaptation: CCA • Water and Marine Resources: WTR • Circular Economy: CE • Pollution Prevention and Control: PPC • Biodiversity and ecosystems: BIO For example, the Activity «Afforestation» would have the Code: CCM 1.1
(b)	• Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; • N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; • N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective
(c)	Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using templates in sheets CA (2), CapEx (2), and OpEx (2)
(d)	The same activity may align with only one or more environmental objectives for which it is eligible.
(e)	The same activity may be eligible and not aligned with the relevant environmental objectives.
(f)	• EL – Taxonomy eligible activity for the relevant objective; • N/EL – Taxonomy non-eligible activity for the relevant objective
(g)	Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.
(h)	For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL; and b) for DNSH – Y/N codes.

In addition, in response to Article R. 225-105 of the French Commercial Code and for the 2023 financial year:

- the Exclusive Networks group's strategic orientations in terms of social, societal and environmental responsibility are determined by the Board of Directors, on the proposal of the Executive Committee; Deployment is carried out locally at the country level;

- the Exclusive Networks group has no provisions or guarantees for environmental risk; and

- the resources devoted by the Group to the prevention of environmental risks and pollution are not significant as it does not represent a substantial subject of the sector of activity.
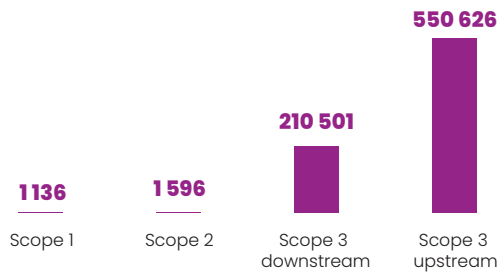
6.3   Climate Change

Carbon Footprint

The decarbonisation strategy at Exclusive Networks is rooted in a comprehensive carbon footprint calculation in accordance with the GHG Protocol.

This fundamental step is crucial as it identifies and quantifies carbon reduction levers, providing a clear reference point for establishing realistic and effective decarbonisation targets.
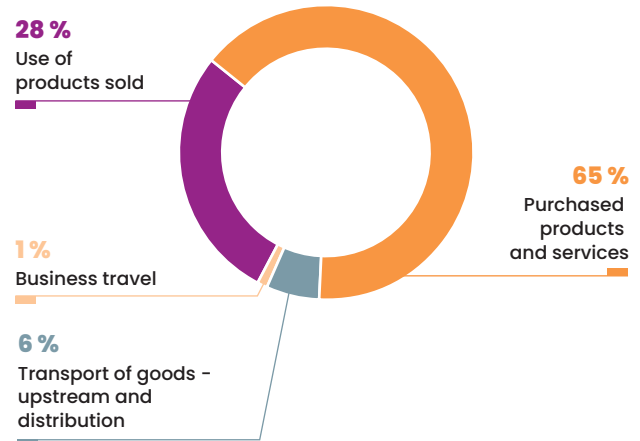
In 2023, within the scope of this report, the Exclusive Networks group's consolidated greenhouse gas emissions amounted to 768,701 metric tonnes of carbon equivalent with a 45% uncertainty, taking into account the limits described below.

	Retrospective data				Milestones and target years			
	Base year	Ref year data	N	% N/N-1	2025	2030	(2050)	Annual target in % / base year
Scope 1 GHG emissions	**2022**							
Scope 1 gross GHG emissions (tCO$_2$eq)		**1,194**	**1,136**	**95%**		**1,187**		**−5%**
Percentage of Scope 1 GHG emissions from regulated emissions trading systems (%)		0	0					
Scope 2 GHG emissions								
Market-based Scope 2 gross GHG *emissions* (tCO$_2$eq)		0	0					
Gross Scope 2 Location-Based GHG Emissions (tCO$_2$eq)		**1,448**	**1,596**	**110%**		**579**		**−5%**
Significant scope 3 GHG emissions								
Total gross indirect GHG emissions (scope 3) (tCO$_2$eq)		**782,926**	**765,968**	**97%**				
Cat. 1 Goods and Services Purchased [Optional Subcategory: Cloud Services & Data Centre]		397,082	489,189	123%				
Cat. 2. Capital Assets		51	237	465%				
Cat. 3. Fuel and energy activities (not included in SC 1 and 2)		405	987	244%				
Cat. 4 Upstream Transmission and Distribution		23,655	53,261	225%				
Cat. 5 Waste generated during operations		41	461	1.124%				
Cat. 6. Business travel		807	9.690	1.201%				
Cat. 7. Commuting for employees		2.584	1.375	53%				
Cat. 8. Upstream Leased Assets		0	0					
Cat. 9. Downstream transport and logistics		98	33	34%				
Cat. 10. Processing of Sold Products		0	0					
Cat. 11. Use of Products Sold		355,666	207,667	58%				
Cat. 12. End-of-life treatment of sold products		2,536	3,068	121%				
Cat. 13. Downstream Leased Assets		0	0					
Cat. 14. Deductibles		0	0					
Cat. 15. Investments		0	0					
Total GHG emissions								
Total GHG emissions (location-based) (tCO$_2$eq)		**785,568**	**768,701**	**97%**				
Total GHG emissions (market-based) (tCO$_2$eq)		0	0					

Share of CO_2 emissions by scope 2023 (tCO_2e)

Scope 1	Scope 2	Scope 3 downstream	Scope 3 upstream
1 136	1 596	210 501	550 626

Breakdown of CO_2 emissions by category 2023

- **28 %** Use of products sold
- **1 %** Business travel
- **6 %** Transport of goods - upstream and distribution
- **65 %** Purchased products and services

Energy consumption

Energy consumption of the Exclusive Networks group sites consolidated for this report (Scopes 1 and 2) - 2023:

Categories	Quantities	Units	Scope
Heating oil	7,000	L	1
Diesel fuel from mobile sources	328,117	L	1
Petrol fuel from mobile sources	326,783	L	1
City gas heating	839,550	kWh	2
Electricity from mobile sources	40,097	kWh	2
Electricity	2,525,510	kWh	2
Of which renewable electricity	505,102	kWh	2
Heating network	24,519	kWh	2

Energy consumed (MWh)	2022	2023	Variation
Total consumption of fossil fuel sourced energy	6,602.26	4,160.59	−37%
Share of fossil fuel sourced energy in total energy consumption (%)	90%	89%	−1%
Share of nuclear sourced energy in total energy consumption (%)	0	0	−
Total consumption of renewable energy	702,742	505,102	−28%
Share of renewable energy in total energy consumption (%)	10%	11%	+10%
Total energy consumption	7,305	4,665.7	−36%

Decarbonisation strategy

The process evolves through a dynamic cycle of analysis, adaptation, implementation and monitoring.

1. Environmental Impact Assessment

   The first phase involves an in-depth analysis of the environmental issues affecting the Company. By using scenario planning, Exclusive Networks can anticipate the impact of different environmental scenarios on its operations, enabling a tailored strategic response.

2. Adaptation of the Strategy and the Transition Plan

   The insights from scenario analysis guide the adaptation of the Company's strategy and transition plan. This ensures that the business remains resilient and adaptive to environmental changes while maintaining performance and competitiveness.

3. Implementation of mitigation actions in France

   Practical steps are taken to implement mitigation actions that can either realise or enhance environmental opportunities. This phase is about transforming strategy into action, with a focus on achieving short-term goals aligned with the 2025 targets and engaging relevant business departments to ensure that these actions are integrated across the Company.

4. Measuring the impact and monitoring progress

   The Company is committed to regularly measuring its performance in comparison with the transition strategy and plan. This involves a continuous cycle of updating and refining carbon footprint calculations, assessing progress annually, and adjusting the decarbonisation plan as necessary.

The decarbonisation journey at Exclusive Networks is not a linear path, but a strategic cycle that involves constant iteration and refinement. The Company is guided by a set of short-term (2025) and long-term (2030) goals, which are underpinned by both business as usual and transition scenarios.

In addition, the importance of communication and approval processes within the Company structure should be emphasised. A dialogue is established with the Executive Committee, ensuring that the transition plan receives the necessary executive support and that the strategic objectives are reported and integrated into the overall strategy of the Company.

Environmental scenarios

Exclusive Networks has established potential trajectories for its decarbonisation journey, based on two environmental scenarios.

Business-as-usual (BAU) scenario

In this scenario, we observe the continuity of economic trends without any constraints related to climate objectives.

This scenario includes:

- sustained growth in the cybersecurity market, with Exclusive Networks anticipating growth of up to $106 billion in 2027; and
- a stable split between hardware and cloud, with increased energy consumption due to the use of hardware products.

In this scenario, no significant actions or changes are undertaken by Exclusive Networks or external stakeholders to alter the current emissions trend.

Transition Scenario (T)

In contrast to the baseline scenario, the transition scenario describes a proactive approach where Exclusive Networks, in response to macroeconomic developments and the actions of external stakeholders, aligns with a greener business model. Sales follow the same growth trajectory as in the BAU scenario, but with a transition to a greater distribution of services/software over hardware products by 2030, in response to energy savings provided by suppliers.

In this scenario, Exclusive Networks implements:

- internal actions to reduce its carbon footprint, such as electrifying its vehicle fleet, converting gas boilers, limiting business air travel, optimising freight, and increasing the use of recycled plastics; and
- external actions such as the decarbonisation of the energy mix by countries, energy efficiency commitments by suppliers, and measures such as the ban on coal for urban heating networks in France.

It is assumed that this transition is indirectly propelled by increased awareness of environmental issues and suppliers' efforts to improve energy efficiency.

These scenarios are not mere projections, but serve as a strategic tool to navigate transition risks, capitalise on opportunities, and support the development of a 2024-2030 decarbonisation roadmap, reflecting Exclusive Networks' short- and long-term goals.

Results of the simulations

Chart A: comparing «Business-as-usual» and «transition» scenarios (emission intensity)
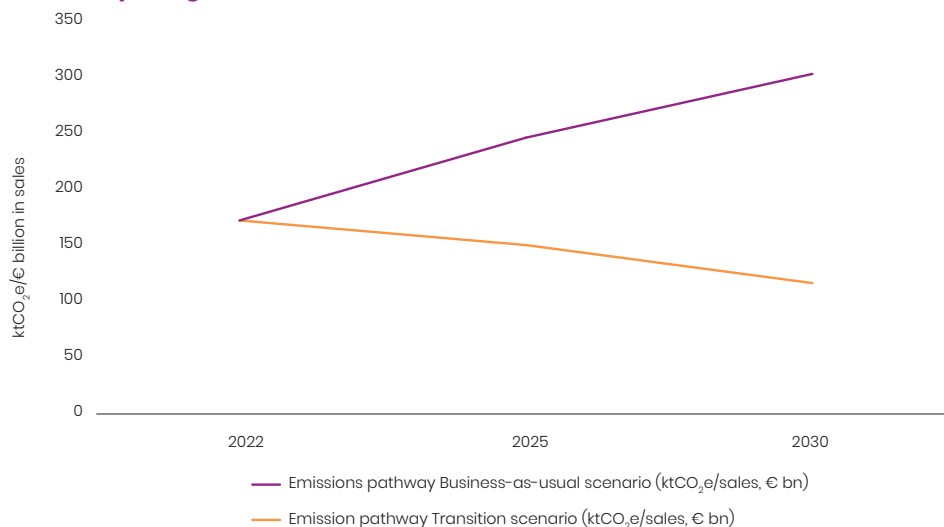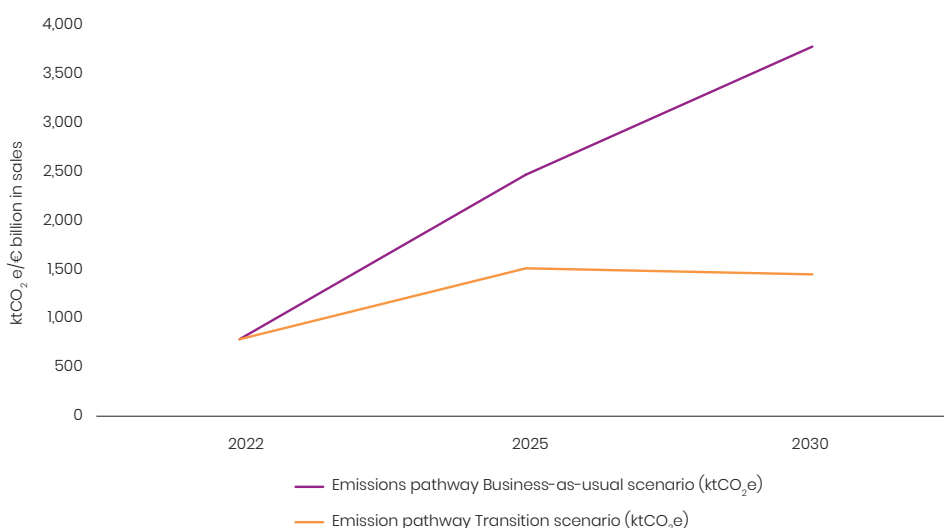

- — Emissions pathway Business-as-usual scenario (ktCO$_2$e/sales, € bn)
- — Emission pathway Transition scenario (ktCO$_2$e/sales, € bn)

Chart B: comparing «Business-as-usual» and «Tansition» scenarios (absolute emissions)

- — Emissions pathway Business-as-usual scenario (ktCO$_2$e)
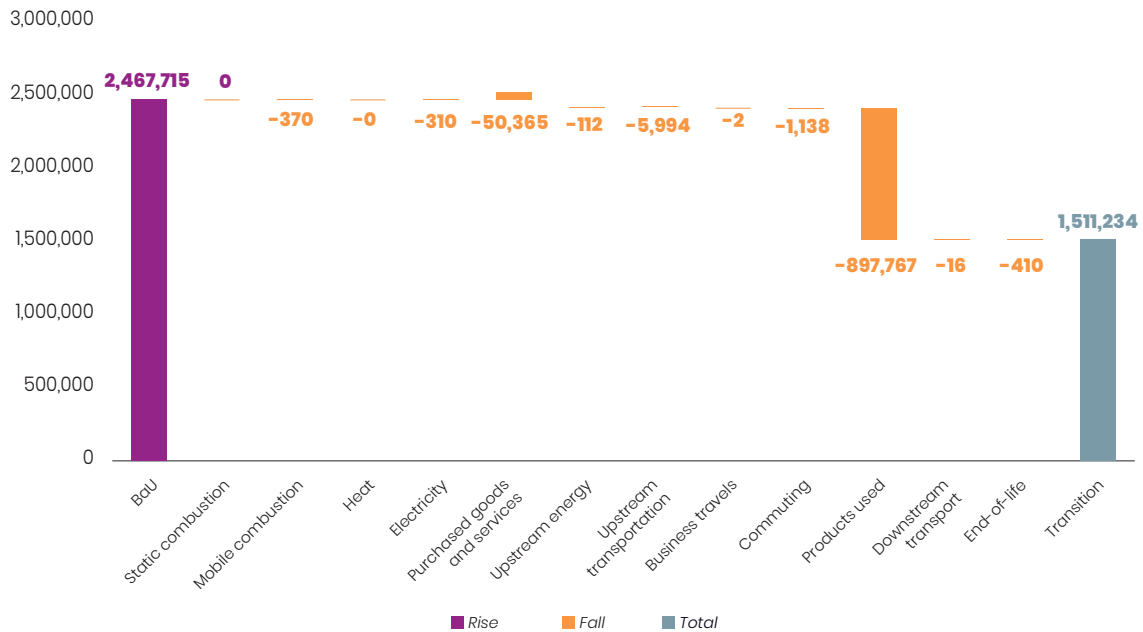- — Emission pathway Transition scenario (ktCO$_2$e)

- **Chart A** illustrates the Group's carbon intensity, which is the amount of CO$_2$e (carbon dioxide equivalent) emissions per billion euros of sales.

It compares the baseline scenario, which represents progress without significant strategic change, with a transition scenario that incorporates decarbonisation measures.

In the baseline scenario, carbon intensity increases, which is undesirable, while in the transition scenario, a slight downward trend is noted, thanks in particular to the reduction in the share of hardware products in revenue, suggesting a transition to cloud or carbon-efficient solutions.

- **Chart B** shows absolute emissions, which increase significantly in the baseline scenario due to assumed sales growth, while the transition scenario shows a stabilisation of emissions despite sales growth thanks to actions taken such as decarbonising electricity and improving energy efficiency, demonstrating that they are effective in stabilising emissions despite increased sales.

In the context of decarbonisation, the transition scenario is clearly the most favourable, as it assumes that the Company takes steps to reduce its carbon intensity and stabilise its emissions in absolute terms.

Chart C: emission reduction in the Transition scenario vs BAU, by category 2025 (tCO$_2$e)

Rise Fall Total

Chart D: emission reduction in the Transition scenario vs BAU, by category 2030 (tCO$_2$e)

Rise Fall Total
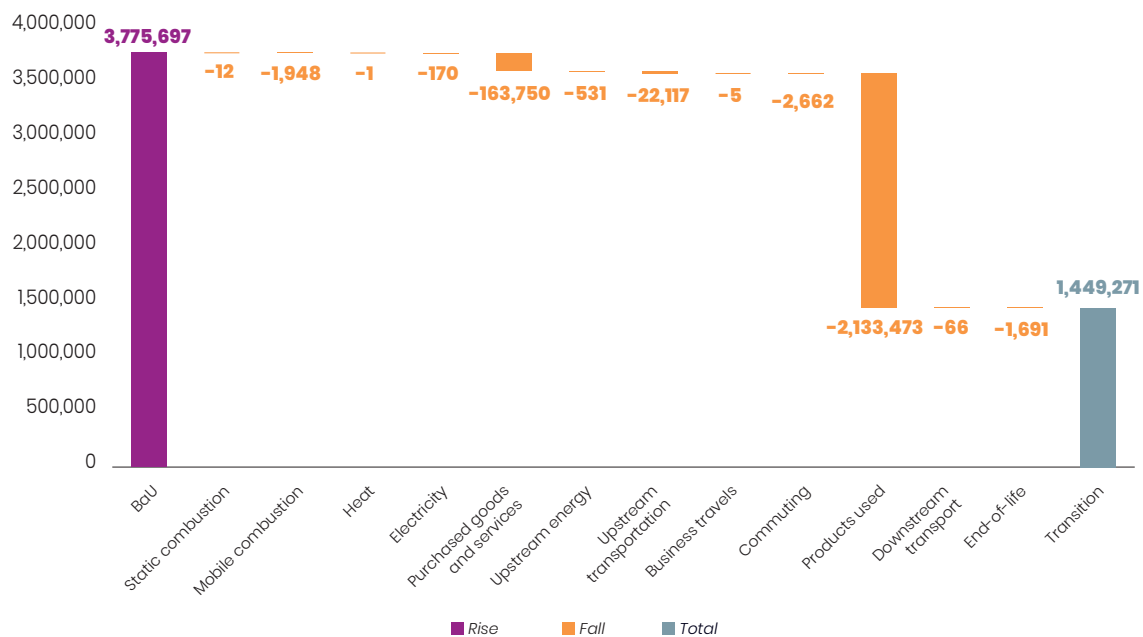
- **Chart C** shows that, although absolute emissions increase in 2025, emissions intensity decreases relative to the baseline scenario. The reduction is quantified at 956 ktCO$_2$e/million euros of turnover, which represents a decrease of 13% compared to 2022. This suggests that even as the Company continues to grow and its total emissions increase, it becomes more efficient in terms of emissions per unit of revenue generated.

- **Chart D** provides a similar overview for the year 2030, where absolute emissions continue to increase, but emissions intensity decreases more significantly compared to the baseline scenario, with a 33% reduction from the 2022 base year. The total reduction is 2,326 ktCO$_2$e/million euros of turnover. This indicates a significant improvement in the Company's carbon efficiency over a longer period of time.

The two graphs (C & D) confirm the importance of distinguishing between absolute emissions and emissions intensity: absolute emissions may indeed increase due to business growth, while emissions intensity decreases, which could mean that the Company is making progress towards its decarbonisation targets, Indicate that the measures taken are effective, and that the Company is becoming greener despite the expansion of its operations.

Chart E: impact of reduction actions in the Transition scenario *vs BAU*, 2025 (tCO$_2$e)
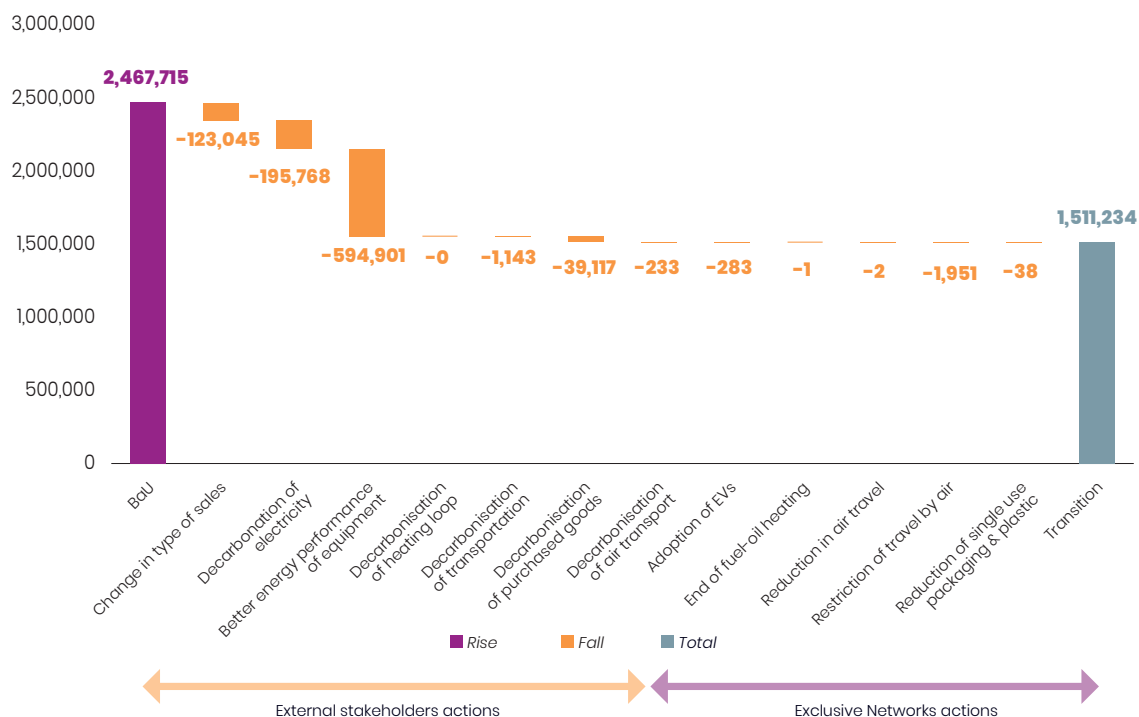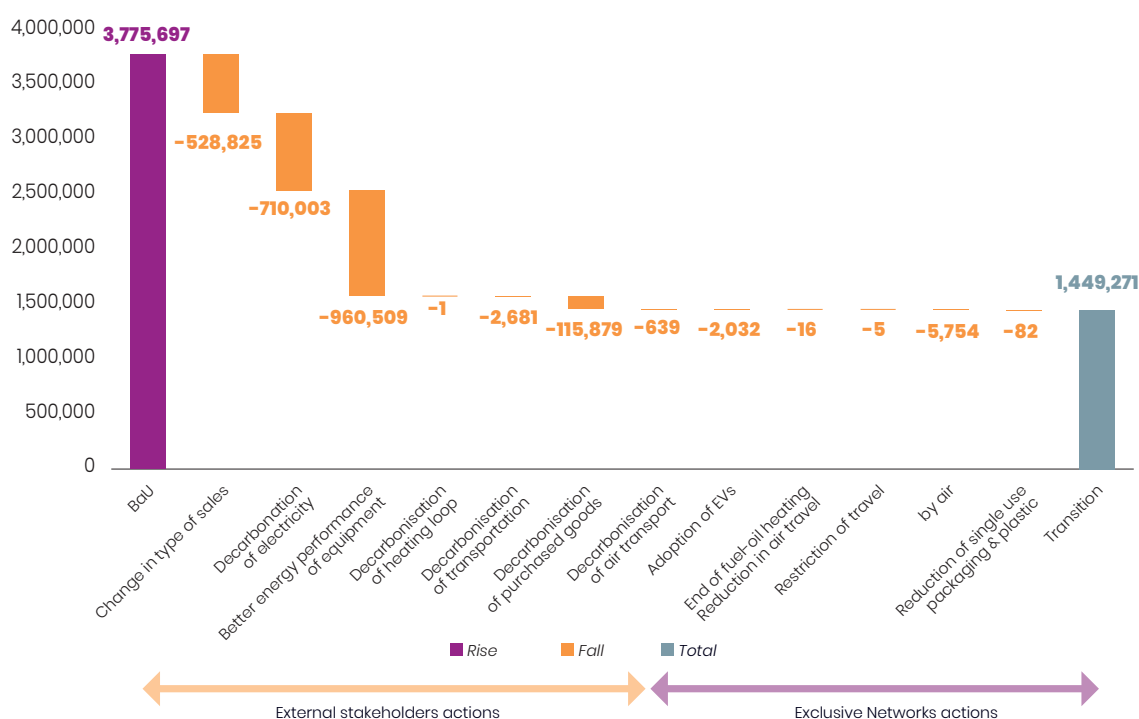

Chart F: impact of reduction actions in the Transition scenario *vs BAU*, 2030 (tCO$_2$e)

- **Chart E** illustrates the most impactful actions by 2025: the decarbonisation of electricity and the energy efficiency of IT equipment, with estimated reductions of 195,768 and 594,901 tCO_2e respectively over the period. These actions are followed by measures such as employee transportation. Interestingly, changing the sales mix to reduce the share of hardware products appears to have a significant effect, highlighting the importance of a shift to less emissive products and services (Cloud). The actions of external stakeholders, such as suppliers and consumers, also play a significant role.

- **Chart F** for 2030 shows a similar trend with even greater emission reductions through improved energy efficiency and the decarbonisation of electricity. In addition, the significant decrease in emissions due to the decarbonisation of manufactured goods indicates that changes in the Company's production or supply have considerable potential to reduce emissions in the long term.

In both cases, the Company's internal actions (EXN actions) are crucial to achieving decarbonisation goals, but the actions of external stakeholders are also essential or even more significant to reduce the Company's overall carbon footprint. This illustrates the importance of working collaboratively with the entire value chain, including suppliers, distributors and customers, to achieve a substantial reduction in greenhouse gas emissions.

Climate Trajectory and SBTi Commitment

Based on the simulations aligned with the SBTi initiative, the results of which have been presented above, Exclusive Networks commits through this report and through its SBTi commitment to reduce:

- Scope 1 and 2 absolute emissions of GHGs (Greenhouse Gases) by 40% in 2030, compared to base year 2022; and

- Scope 3 emissions per unit of value added revenue (emissions intensity Scope 3) by 33% in 2030, compared to base year 2022.

Emission reduction: strategies by scope

Exclusive Networks' strategy is based on targeted measures, the implementation of which is prioritised according to their potential impact and estimated cost.

It is important to remember that Scope 3 carbon emissions represent 99% of Exclusive Networks' total carbon footprint.

The key actions identified by scope are:

Scope 1: Direct Emissions

1. Transition to Electric or Hybrid Vehicles

   With the aim of reducing emissions from mobile sources by 10%, Exclusive Networks plans to gradually replace its current fleet with electric or hybrid vehicles, aiming for an estimated emission reduction of 300 tCO_2e per year.

2. Energy Efficiency Improvements in Operations:

   A 10% reduction in emissions from stationary combustion is expected, which would represent a reduction of 270 tCO_2e per year.

Scope 2: Indirect Emissions from Purchased Energy

1. Switching to Renewable Energy

   The aim is to eventually use 80% of electricity produced from renewable sources, which could reduce emissions by 1,200 tCO_2e per year.

2. Advanced Energy Management Systems

   By adopting a smarter use of energy, Exclusive Networks aims for an additional 10% reduction.

Scope 3: Other indirect emissions

1. Air Freight Optimisation

   Although costly, this measure is essential to reduce the carbon impact of transporting products. The Company plans to adopt greener logistics solutions and improve the efficiency of delivery routes.

   These efforts could reduce emissions by an average of 1,300 tCO_2e per year.

   In light of the fact that:

   - the products marketed are imported from the suppliers' manufacturing sites, mainly located in Asia, and

   - whereas there are few stocks due to the very large number of references and the speed with which this equipment evolves to ensure its efficiency, it is not yet possible to use rail and inland waterway transport;

2. Packaging Reduction & Recycling

   Exclusive Networks aims to minimise the use of packaging and promote recycled materials. This action is moderately expensive and has a multiplier effect, reducing waste and the carbon footprint associated with the production of new materials.

3. Phasing out internal combustion vehicles

   The Company is committed to replacing its fleet with electric vehicles, reducing emissions from business travel and after-sales services.

4. Reduction of business travel

   Exclusive Networks plans to significantly reduce business travel, encouraging virtual alternatives for meetings and conferences, which will help limit emissions from air travel.

5. Disposal of oil-fired boilers

   Although costly, replacing oil-fired boilers with cleaner alternatives is a necessary step in reducing the Company's direct emissions.

6. Supplier Commitment to Sustainable Practices

   Exclusive Networks will work with its suppliers to encourage sustainable practices, with a potential to reduce emissions by 6,000 tCO_2e.

7. Redesign of products for greater efficiency (eco-design)

   Promote energy-efficient products and work with our suppliers to redesign products to improve efficiency. An estimated reduction of 5,000 tCO2e is expected per year.

8. Incentives for teleworking and the use of public transport

   By promoting teleworking and the use of public transport, a reduction of more than 100 tCO_2e could be achieved.

6.4   Resource use and circular economy

Context

Recognising the scale of the challenge and the need for decisive action, Exclusive Networks has a clear ambition: **to achieve the recycling of 100% of end-of-life products by 2030, with 2022 as the base year**.

This ambitious initiative is part of a broader strategic framework, aimed at deeply embedding the principles of circularity within the Company's business model, illustrating a symbiosis between economic growth and environmental responsibility.

Integrating circularity into the business model

Exclusive Networks is committed to re-evaluating and enriching its circularity strategy, closely aligning it with its business model.

The aim is to create a symbiosis between economic growth and environmental responsibility, thus transforming the challenges of circularity into strategic opportunities.

Optimisation of the Take-Back Programme

Exclusive Networks takes a proactive approach to recycling through its take-back programme, which recovers end-of-life products sold to customers, as well as those used for training and demonstrations. This commitment is concrete in a multitude of countries, from France to the United States, including India and Australia. Each subsidiary processes an average of 1,500kg of recycled material, i.e. approximately 40 metric tonnes for the entire Group.

Exclusive Networks plans to enhance this programme in 2024 to maximise the efficiency of end-of-life product collection and recycling, ensuring that each product returns to the economic cycle in one form or another.

In-depth Impact, Risk and Opportunity Assessment (IRO)

Recognising the importance of a nuanced understanding of the issues, the Exclusive Networks group plans to conduct detailed assessments. These will help pinpoint the impacts, opportunities and risks associated with its circularity practices, thus illuminating the path to informed strategic decisions.

Exclusive Networks' impact is not limited to e-waste management (WEEE). The Company is also shaping the future through its support and maintenance business, extending the life of equipment. In addition, the eco-design of solutions and Green IT are at the heart of its strategy, significantly reducing the environmental footprint.

Management policy

To achieve these ambitions, the development of a robust management policy is crucial. Exclusive Networks is committed to developing and implementing a policy that will govern its circularity initiatives, ensuring consistency, accountability, and efficiency at all levels of the organisation.

This management would not be possible without the involvement of stakeholders.

Exclusive Networks' strength lies in its ability to forge strategic partnerships with experts in e-waste management, such as IWASTE (UK), Paprec (France), and NORMSRECYCLING (US). These collaborations not only ensure compliance and environmental responsibility, but also promote a cleaner, greener industry.

Exclusive Networks' vendors, such as Fortinet, are pioneers in product improvement. This is evidenced by the 66% reduction in average energy consumption of the new 2022 models. Resellers, like NTT Data, are also contributing to this momentum by integrating circular design into their operations to reduce waste and carbon emissions.

Revision of waste management targets

The Group plans to revise its targets for waste disposal, resource reuse and its contribution to the European circular economy. This effort aims to align its practices with the highest standards and position Exclusive Networks as a sustainability leader in the digital sector.

Exclusive Networks recognises the importance of raising awareness among its resellers and educating them on circularity principles, and is committed to implementing dedicated training programmes, to ensure a thorough understanding and effective application of these principles in their day-to-day operations. In addition, by collaborating with non-profit organisations, Exclusive Networks will strive to give a second life to certain equipment, thus enhancing its social and environmental impact.

7   Social and societal information

7.1   Company Workforce

The Group had 2,163 employees[1] as of 31 December 2023 on the scope of consolidation used for this Non-Financial Performance Statement, up 4.64% compared to the previous year. The characteristics of the 472 hires and 376 departures are described below. This slowdown in hiring can be explained by the improvement in the retention rate combined with a historically low and controlled attrition rate, while supporting the Group's growth and performance.

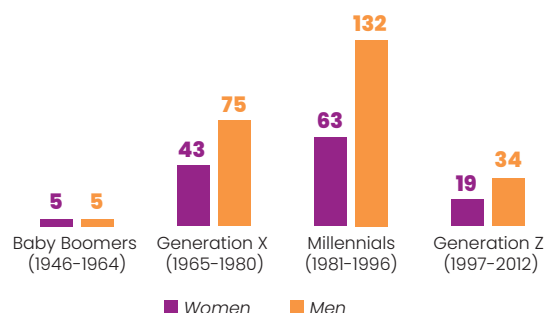### 7.1.1   Changes in the number of employees

Hires by region*	2022	2023
Americas	31	29
APAC	114	81
EMEA	478	362
Total	**623**	**472***

*   Proforma information on an Equal perimeter.

Hires by generation and gender over the period in 2023
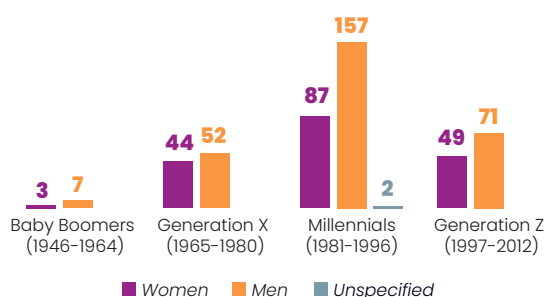
Departures by generation and gender over the period in 2023

Like the Group's workforce, 52% of the recruitments were Millennial employees (26 to 41 years old). 25% of recruitments concern generation Z (under 26 years old), linked to the recruitment of a large number of interns and apprentices.

These figures, which are stable compared to the previous year, demonstrate the Group's societal commitment to the training of young people.

The proportion in terms of gender parity is stable compared to the previous year, with 61% of the staff recruited being men.

Like many players in the digital and cybersecurity worlds and more generally in digital companies, a certain number of employees are external consultants who bring their expertise to a wider territory where the Group is present, in specific functions, in particular finance and information technology. These experts choose to carry out their duties in the organisation under the status of "contractor". They are not part of the salaried workforce and are not included in the 2,163 employees identified in the scope of this performance report.

These employees will be included in the reporting under ESRS - S1. In accordance with the regulations resulting from the CSRD.

Geographically, the distribution of hires is similar to that of headcount with 80% for EMEA, 14% for Asia-Pacific, 6% for the Americas.

[1] 81.3% of the Group's employees are covered by this Statement of Non-Financial Performance.

Voluntary and involuntary departures 2023

286 (76%)
Voluntary

90 (24%)
Involuntary
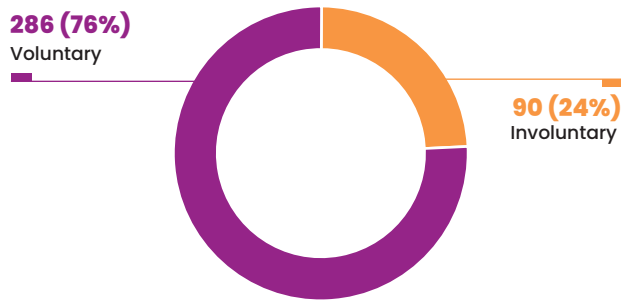
Departure rate of permanent employees in 2023 by generation

14%
Baby Boomers
(1946-1964)

18%
Generation X
(1965-1980)

16%
Millennials
(1981-1996)

24%
Generation Z
(1997-2012)

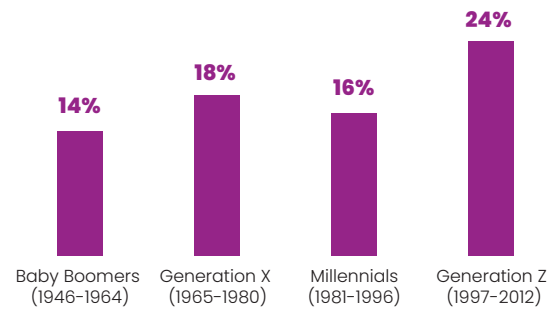The 2023 financial year is characterised by a significant decrease in departures compared to the previous year for all generations, with the exception of generation X.

7.1.2   Characteristics of employees

Geographical distribution of employees

Evolution of the Group's workforce by geographical area	2022	2023
EMEA (excluding France)	1,423	1,482
France*	236	261
Asia Pacific	321	310
Americas	87	110
Total	**2,067**	**2,163**

*   Country with more than 50 employees or representing > 10% of the workforce Group.

Workforce by region 2023

310 (14.33%)
APAC

110 (5.09%)
AMERICAS

1,743 (80.58%)
EMEA
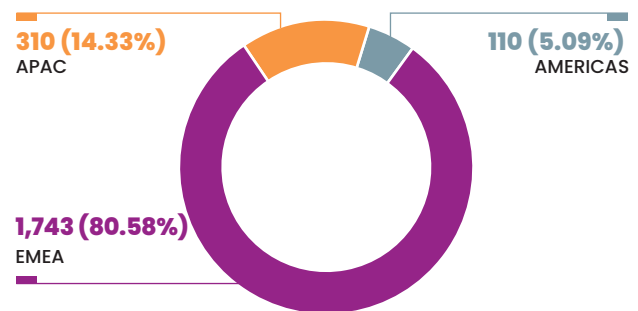
Geographical and gender distribution

Workforce breakdown by country and gender 2023

Poland, UK, France, UAE, Singapore, Germany, USA, Netherlands, India, Italy, Spain, Turkey, Australia, South Africa, Thailand, Belgium, Czech Republic, Sweden, Finland, Austria, Norway, Romania, Croatia, Canada, Denmark, Switzerland, Ireland

■ *Women*   ■ *Men*
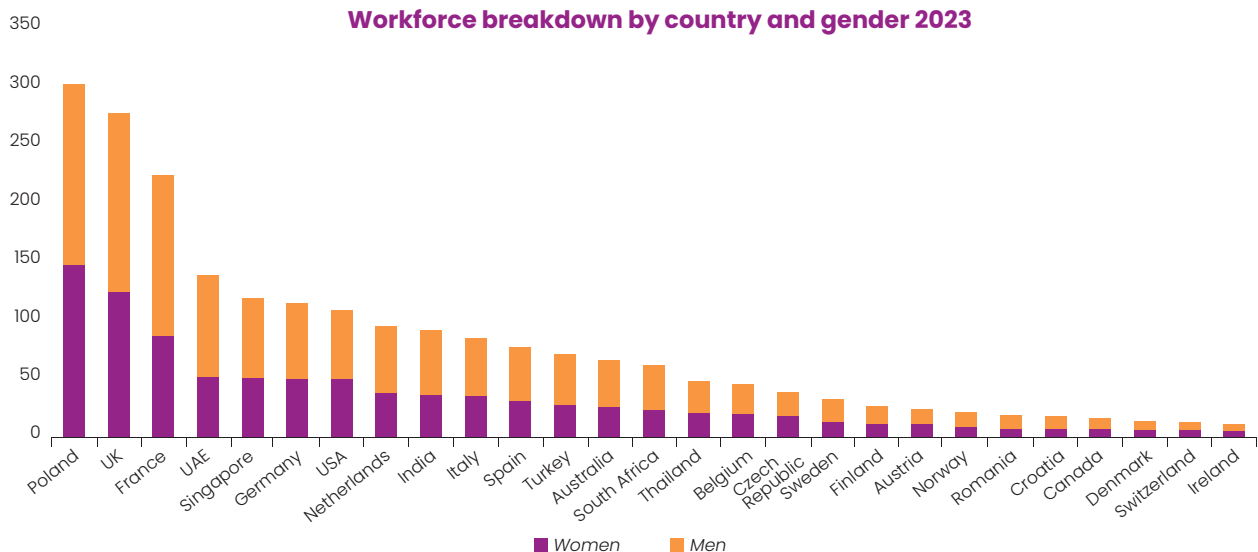
The distribution of employees by type of employee and the associated performance indicators are more fully detailed in the section 7.7 "*Diversity, Equity and Inclusion (DE&I)*" of this Statement of Non-Financial Performance.

Distribution of employees by category 2023

79%
Individual
contributor

21%
Manager

Distribution of employees by status 2023

97%
CDI

3%
CDD

Distribution of employees by category*	2022	2023
Individual Contributors	80%	20%
Managers	79%	21%

* Proforma information on an Equal perimeter.
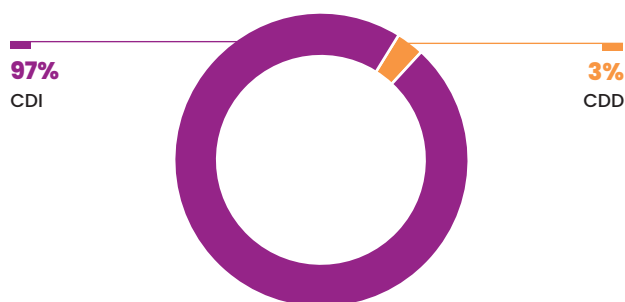
Distribution of employees by status*	2022	2023
Number of employees on permanent contracts	2,025	2,102
Number of employees on fixed-term contracts	42	61

* Proforma information on an Equal perimeter.
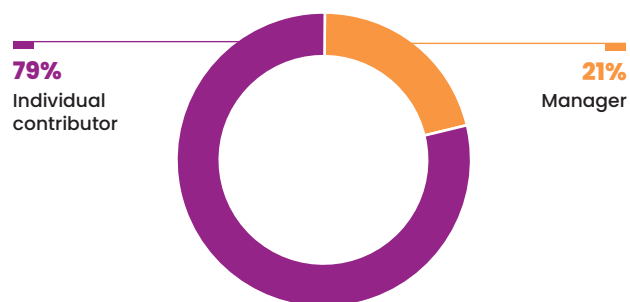
This distribution remained stable compared to the previous year.

The Group favours the use of permanent contracts in order to increase employee loyalty and commitment: 97% of employees are on permanent contracts.

More than 80% of fixed-term contracts are for apprentices and trainees.

Breakdown of full-time and part-time contracts 2023

94%
Full time

6%
Part time
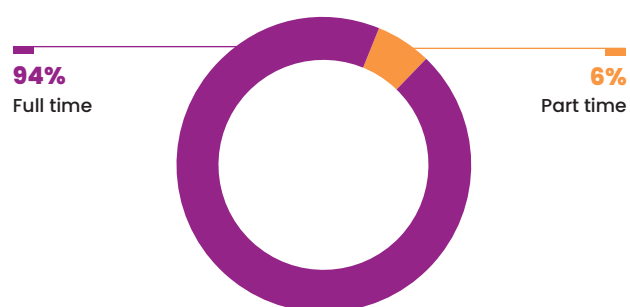
Breakdown of full-time and part-time contracts*	2022	2023
Full-time	1,950	2,038
Part-time	117	125

* Proforma information on an Equal perimeter.

The split between full-time and part-time contracts is stable, with full-time recruitment remaining the norm. A percentage amounting to 9% of women work part-time compared to 4% of men.

Distribution of employees by generation and gender

Age pyramid 2023*

	Women	Men
Baby Boomers	22	48
Generation X	267	359
Millennials	541	672
Generation Z	89	163

■ Women ■ Men
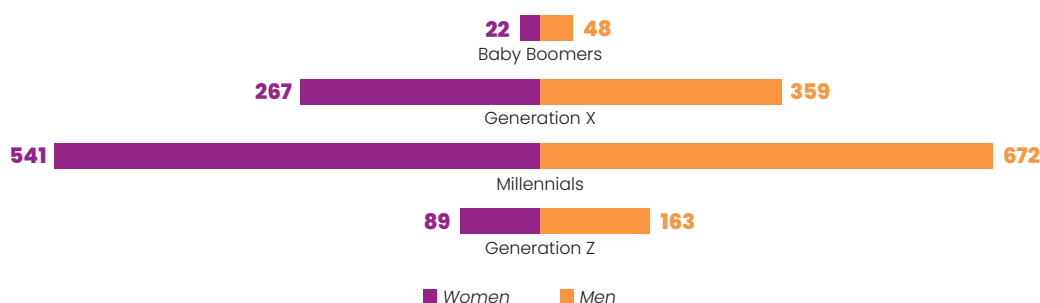
* *Generation Z (< 26 years), Millennials (26-41 years old), Generation X (42-57 years old), Baby-Boomers (58 years old and more).*

Category by age*	2023
Millennials (1981-1996)	1215
Generation X (1997-2012)	626
Generation Z (1997-2012	252
Baby-Boomers	70
Total	**2 163**

*   Proforma information on an Equal perimeter.

Breakdown of the workforce by generation 2023

12%
Generation Z
(1997-2012)

3%
Baby Boomers
(1946-1964)

56%
Millennials
(1981-1996)

29%
Generation X
(1965-1980)

For the scope of this report, the average age is 38.29 years, more than half of the age of the Millennial generation (between 26 and 41 years old).

7.2   Governance of social issues

The Human Resources Department, whose mission is to "Anticipate and Guarantee the future of the Exclusive Networks group by attracting, developing and retaining talent and establishing the target organisations and effective processes of the future in order to contrib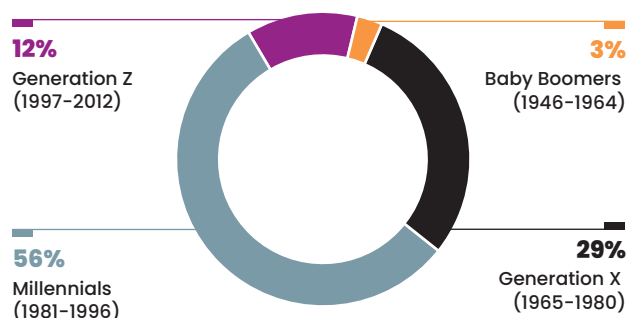ute to the improvement of the Company's performance and ensure its sustainability" is headed by the VP Group's Director of Human Resources and Communication. She is a member of the Executive Committee and reports directly to the Chief Executive Officer, with whom she is in regular contact.

The Human Resources Department operates at two levels:

● at the head office level: the teams at the head office bring together the expertise of Tools, Data and Programmes, Compensation and Benefits, Recruitment and Skills Development, and aim to support and equip the HR operational teams in a homogeneous way; and

● at the Local/Regional level: the regional operational Human Resources Directorates, attached to the Country Managers, are responsible for implementing global programmes and supporting operational activities.

This organisational structure thus makes it possible to preserve the agility, specificities and uniqueness of the countries.

The Group Director of Human Resources and Communications oversees the Group's human resources

policy by relying on the operational Human Resources Directors of the regions on the one hand, and on the expert Human Resources Directors at headquarters on the other (HR Development Department, Recruitment Department, Compensation and Benefits Department, etc.), and the Data and Human Resources Information System (HRIS) department).

Weekly meetings are held with all the directors in order to steer and define the strategic direction of the Group's human resources (around key issues such as recruitment, retention, compensation, development, and diversity and inclusion policy) and to monitor the successful implementation of programmes and initiatives at the local level.

The Executive Committee is responsible for approving diversity, equity and inclusion goals and initiatives. On the proposal of the Executive Committee, the Board of Directors determines the objectives of gender diversity in managerial functions.

In 2023, the Human Resources Department strengthened its governance with the recruitment of a Director of Talent Development allowing targeted, ambitious and impactful action on the integration and development of employees and managers. A Global Communication Director structures and articulates internal communication, with a view to unity. They ensure the sharing of information and practices between countries and departments and transparency on the Group's vision and strategy. They ensure full alignment and coherence with external communication.

Review and validation of the implementation of the social strategy

The social performance and initiatives implemented are reported at the Group level by the Director of Human Resources and are regularly presented to the Executive Committee for follow-up on the results achieved during the past year. These results are presented to the Board of Directors at least once a year. In the event that certain performances are not achieved, the reasons and remedial measures are also discussed in the meeting of the Board of Directors. The promotion of diversity, equity and equal opportunities is also carried out by the Director of Human Resources and presented to the same governance bodies.

Group HR	• Create a coherent global HR vision and strategy • Develop and structure a global organisation, policies and programmes that are constructive as well as scalable • Manage the Group's remuneration policy • Manage mobility between zones and functions • Implement the global employer brand
Local HR: Business Partner	• Deploy the global HR vision locally • Deliver the employer brand at the local level • Drive and manage local recruitment, performance and talent development • Encourage activity and support managers • Ensure local customs and values are protected • Manage labour and legal relations
Local HR: administrative management	• Manage payroll, benefits • Update employee data and local processes • Manage automation and HR tools

Deployment

The human resources strategy is deployed in collaboration with the regional human resources teams in order to be adapted to local specificities and challenges.

Since 2021, in order to carry out its missions in a Group with strong international expansion and to equip itself with reliable indicators, the Group's Human Resources Department has deployed a unique Human Resources Information System (HRIS) at the global level ensuring a global and harmonised management and monitoring of all processes and performance:

- automation and optimisation of administrative tasks related to human resources management;

- centralisation and updating of information in real time;

- improvement and standardisation of processes and monitoring of employees' career paths from their recruitment to their departure; and

- automation and making leave requests, performance reviews, career development and remuneration processes more reliable.

This global management makes it possible to carry out real-time analyses on staffing, turnover, etc. or any other key indicator. It allows for monitoring developments and trends continuously thanks to dashboards that can be configured as needed via Power BI. The HRIS allows the connection to other external applications such as the platform used for the annual employee satisfaction survey or the management of interviews, or to give employees simple and autonomous access to all their administrative documents (contracts, training, leave balance, etc.).

Thanks to this tool, Human Resources teams see gains in efficiency, anticipation and projection and have reliable data at all times, allowing them to manage activity objectively and with hindsight, and to focus on higher value-added missions.

7.3   Social Dialogue and Engagement

Context

Employees are the Group's raw material. Exclusive Networks considers that social dialogue and engagement is an absolute challenge in that it contributes to supporting employee satisfaction, with a direct impact on the retention of talent and expertise and the performance of the Company more generally.

The commitment of each and every one of us, as well as the well-being of our employees at work, are key responsibilities of the Company. In 2023, competition in the labour market remained high, particularly in the cybersecurity sector, which is characterised by a shortage of resources. Throughout the year, the risk of key employees leaving was assessed and action plans were implemented to retain them. Too much turnover, particularly in key positions, could ultimately penalise the Group's growth.

Policy

Exclusive Networks makes every effort to ensure that there is a close relationship between management and operational teams on a daily basis, ensuring that employees are optimally listened to and giving them the opportunity to express their concerns. The strengthening of governance with the recruitment of a Global Communication Director is part of this policy of developing social dialogue and internal communication.

The Exclusive Networks group has set a goal of achieving a 77% engagement rate by 2025. This rate is measured by aggregating several questions relating to notably pride in belonging to the Group, recommending the Group as an employer, motivation to work for the Group and projecting oneself in the Company for more than 2 years.

Key monitoring indicators	2022	2023
Satisfaction survey participation rate	80	84
Engagement rate*	72	71
% of employees covered by collective agreements	N/A	18.9%

*   Indicator with a target for 2025.

Actions implemented

Internal Surveys

Since 2021, an internal satisfaction survey "*Your Voice Counts*" has been open to all Group employees around the world. It is launched each year with the support of the Group Chief Executive Officer and is managed by the Human Resources Department. The survey allows everyone to share their experience and express their feelings on themes covering commitment and pride in belonging, the quality of supervision, work-life balance, the quality of collective life (communication and cooperation between teams), the ability to perform their function effectively, feedback and recognition, training and personal development.

A transparent presentation of the main results of the survey is made to all employees in the form of a webinar led by the Chief Executive Officer and the Director of Human Resources.

Based on the 2023 survey, the main and persistent strengths highlighted by employees are:

- relations with their direct manager;
- the fact that their work has a significant value for the Company and a direct impact on its performance;
- teamwork; and
- a clear role and clear missions.

The topics on which the Exclusive Networks group must maintain its attention and efforts are:

- recognition and differentiation of individual performance;
- communication; and
- training and personal development.

> The response rate to the survey conducted in 2023 was 84% compared to 80% in 2022.

Key areas for improvement identified in the 2022 survey	Main actions carried out in 2023
Career management	Creation of a classification and levelling of the Group's jobs and implementation of salary bands by role/country.
Differentiating and individual recognition	Recognition programmes implemented at the regional level.
Internal communication	Launch of a quarterly webinar combining presentations of strategic topics with a transparent and open Q&A session with employees.

Key Highlights of the 2023 Survey	Main areas of work selected following the 2023 survey
Improvement in employee satisfaction with workload	Continued efforts to recognise and differentiate individual performance.
Differentiating and individual recognition	Continuation of the work initiated in 2022. Improved identification and recognition of individual performance.
Positive results of the actions put in place to automate and optimise many processes	Strengthening an internal feedback culture.
Internal communication	Continuation of the work initiated in 2022 with the development of an internal communication plan, built on the basis of employee feedback, aimed at creating a more direct link between the Chief Executive Officer, the Group's Executive Committee and all employees and relying on optimal channels and frequencies.
Employee satisfaction with training and personal development programme	Structuring and sharing career paths.

This annual measurement of employee engagement is essential for the relationship of trust that the Group wishes to maintain with its employees on a daily basis and supports the quality of its services. **The satisfaction rate is a key indicator of the human resources management policy.**

The Group's objective is to continue an annual monitoring of employee engagement in order to be as close as possible to their expectations and concerns.

In addition, since 2020, when leaving the Company, each employee can participate in a survey during which they will be able to express the reasons for their decision, share information about their experience within Exclusive Networks and their future professional prospects. This measure makes it possible to identify new practices that are likely to meet employees' expectations.

Institutional social dialogue

The Exclusive Networks group strives to establish a constant and high-quality social dialogue, in compliance with the legislation in force in each country where it operates, as well as in countries where it is not subject to a legal obligation. Social relations are placed in each country under the authority of the Country Manager and the Human Resources Manager, who are responsible for:

- setting up all legal bodies in accordance with local legislation; and

- facilitating regular meetings and dialogue with staff representatives and social partners, where they exist.

In France, 91% of employees benefited from this representation via the Social and Economic Committee (SEC) as of 31 December 2023. Discussions in these forums focussed on the following elements:

- information on the website made available by the SEC for social works;

- reorganisation and renovation of offices;

- presentation of the Gender Equality Index;

- presentation of the SEC's balance sheet; and

- remuneration agreements (profit-sharing and related payments).

Other channels of social dialogue

In addition to these bodies, the Group's Code of Conduct sets out the main principles applicable to all employees who have the opportunity to raise their concerns through the whistleblowing procedure detailed below in section 8.2 of this report.

Coverage by collective agreements

Local agreements on working conditions and/or with an impact on employee remuneration are in force in a number of the Group's subsidiaries.

In France, 72% of employees were covered by a collective agreement, i.e. 12% of the workforce in the scope of this declaration.

Categories	Country	Nature of the agreement
Agreements with an impact on compensation	France	Participation Agreement Profit-sharing agreement
Agreements that have an impact on working conditions	France	Agreement on flat-rate pay in days over the year
	United Kingdom	Agreement on telework

7.4   Ensuring fair and attractive remuneration and benefits

Context

In a context of high competition in the global labour market, especially in the cybersecurity sector where there are not enough qualified employees, it is essential that the Group ensure the competitiveness of remuneration levels, which are rising. This is an important lever for attracting and retaining talent.

A higher turnover, particularly in key positions, could ultimately penalise the Group's growth.

Policy

The Group's policy is to offer everyone a fair and competitive remuneration in the market that reflects the performance and levels of responsibility associated with each person's roles. To this end, the Group aims to position itself at the level of benchmark best practices observed in comparable sectors. This policy takes into account local laws and business practices in each region. Thus, the skills and level of responsibility associated with the roles of employees are compensated by a fixed salary in line with the experience acquired and the practices observed for each profession on the market. Employees are also remunerated by variable remuneration schemes (bonus or commission), depending on the level of responsibility and the country. The purpose of these is to reward individual and collective performance (see the section above on collective agreements that have an impact on remuneration):

- for the majority of operational managers, bonuses are defined in a homogeneous way in each of the countries, with a share of collective objectives and a share of individual objectives.

- for all marketing and sales teams, including employees in operations, commission plans, mostly related to marketing objectives, are defined and represent a significant part of the compensation.

The remuneration policy includes performance incentive plans that must meet the objectives of mobilising key employees towards medium- and long-term performance by encouraging outperformance, associating these employees with the Company's valuation and building loyalty.

Key monitoring indicators	2022	2023
Share of employees with a performance-related variable component in their remuneration	88%	90%
Share of employees who have been awarded performance shares	2%	3%
Share of employees benefiting from a voluntary collective remuneration scheme	23%	24%

Actions implemented & systems

Long-term profit-sharing scheme (LTIP)

Since its IPO in 2021, the Exclusive Networks group aims to associate and align the financial interests of management and a number of key contributors (Group executives, executive committee members, senior executives, talent and experts) with those of shareholders, including through long-term incentive plans (LTIPs). This additional remuneration mechanism aims to motivate and retain beneficiaries by directly involving them in the Group's development.

As a result, around 70 employees as of 31 December 2023 (senior managers, talents and experts) were allocated performance shares in order to link them to the Company's long-term performance and financial results. The definitive acquisition of the allocated shares is subject to the fulfilment of performance conditions and a condition of presence in the Group on the vesting date. The performance indicators used are based on the Group's financial performance (see section 4.3 of Chapter 4 of this Universal Registration Document which presents the history of share awards made by the Group since 2021).

Collective agreements with an impact on employees' remuneration

Collective performance remuneration schemes may exist in some countries, whether they are mandatory legal schemes (profit-sharing in France, for example) or voluntarily set up by the Group according to local practices, such as profit-sharing in France, these schemes, where they exist, are accessible to all employees.

As of 31 December 2023, the Group estimates that at least 18.9% of the workforce was covered by a mandatory and voluntary collective agreement that had an impact on compensation. **In the coming years, the Group will refine the reporting of this indicator.**

In 2023, the Group implemented a profit-sharing plan benefiting all employees based in France. A non-financial criterion related to CSR based on business ethics (Code of Conduct certification rate) has been introduced.

Remuneration and development

The 2023 annual payroll, including salaries and payroll taxes, extracted from the consolidated financial statements of the Exclusive Networks group, was €200 million, up 9% year-on-year (see *Note 5.3. Personnel Costs* to the 2023 consolidated financial statements in Chapter 5 of this Universal Registration Document 2023). This increase is linked to, among other things, the increase in the number of employees, the impact of exchange rates and the increase in salaries.

Overall, more than 90% of the Group's workforce has performance-related compensation components.

In order to ensure that the Group's employees' salary positions are fair and relevant in relation to the local reference market, the Group relies on external information provided by specialised firms. In addition, it ensures compliance with the minimum wages applicable in the various countries in which it operates.

In 2023, the Group increased its salaries in order to increase its attractiveness in a particularly tight job market.

7.5   Career and Skills Development

7.5.1 Attracting – Identifying – Retaining Talent

Context

As cyber threats continue to multiply and become more sophisticated, the cybersecurity industry still suffers from a skills shortage. Globally, McKinsey estimates that more than 3 million positions are currently vacant (source: *The unsolved opportunities for cybersecurity providers | McKinsey*).

As a result, competition in the global labour market for cybersecurity skills has increased. Internationally, measures are being taken to address this shortage: in the United Kingdom, for example, the government has launched a €50 million cyber school to support the training of cyber experts. New schools and training courses dedicated to cybersecurity are also emerging in France and abroad (Guardia cyberschool, Oteria).

Faced with the skills shortage, it is therefore essential to identify, attract, retain and engage employees over the long term and to train experts to create a community of talent, develop the Group and anticipate the next generation of internal leaders.

Policy

Exclusive Networks' development and growth is based in particular on its ability to attract talent motivated by the Group's ambition, thus increasing and consolidating the expertise and complementarity of its employees. Exclusive Networks works to be recognised as an employer of choice that attracts and engages talent, in order to contribute to their development and ensure sustainable employability in all its forms. To achieve its objectives, the search and identification of candidates relies on the implementation of consistent and diversified solutions.

To achieve its objectives, the human resources policy is based on three pillars:

- attracting and retaining top talent;
- identifying and detecting talent; and
- developing employees' skills.

The search and identification of candidates is based on the implementation, by a dedicated team of experts, of effective, consistent and diversified solutions.

Key monitoring indicators		2022	2023
Attracting the best talent	Number of job vacancies filled	623	472
	Number of job vacancies filled on permanent contracts	567	418
	Percentage of job vacancies filled by co-optation	30	36
	Percentage of job vacancies filled by external candidates	70	64
	Turnover rate	25.1	17.7
Talent Identification & Retention	Number of employees integrated into the *Rise up programme*	35	31
	Percentage of employee retention integrated into the Rise up programme	83	100

Actions implemented

Increase the Group's visibility and employer brand

Exclusive Networks is committed to strengthening the visibility of its employer brand and its presence on all recruitment channels. Thus, the communication and human resources teams work together to ensure the notoriety of Exclusive Networks on various social networks, in particular LinkedIn and tools popular with the younger generations as part of its policy of attracting young talent. Articles, videos and photos are regularly posted to present the Company, develop the employer brand and communicate about job opportunities.

The Group publishes its offers on its website as well as on LinkedIn and Indeed and other local platforms such as Jobstreet or Glassdoor, Kununu (in Germany), Pracuj (in Poland), Magnent (in Dubai), etc.

Referral policy (Co-option)

In order to attract quality candidates, the Group has set up internal referral programmes allowing employees to promote positions and to recommend quality candidates from their network. Employees who use their network and enable the successful recruitment of an employee are rewarded.

This referral policy is a valuable, rich and highly effective recruitment channel for identifying very good candidates and filling positions while strengthening the employer brand. To date, co-optation is a key and major recruitment channel for the Company. **36% of recruitments were made by co-optation in 2023, up 6% compared to the previous year**.

Academic Relations

With a view to strengthening its reputation and constantly enriching its pool of candidates, the Group maintains privileged relationships with the best training courses (universities and schools) for all its professions, and in particular, with the academies in the field of cybersecurity training the cybersecurity engineers and salespeople of tomorrow. In addition, internships and apprenticeship contracts are offered to students in order to train them and prepare them for recruitment following their graduation.

Exclusive Academy

 Exclusive Networks launched the Exclusive Academy in 2022 as a major concrete step forward in bridging the alarming talent and skills gap in the cybersecurity industry. Exclusive Networks sees it as its responsibility, and a societal responsibility, to prepare and train the next generation of cyber defenders.

The Exclusive Academy is reflected in two initiatives that were initially launched in France and the United States.

In France, about twenty students from the first class benefit from a three-year specialised training programme, provided by highly qualified and fully operational cyber-experts, thus meeting the needs of the labour market.

This training combines theoretical content with practical experience in the field, which leads to high-level certifying skills. Hands-on experience in the field is a key differentiator of the programme. Students spend approximately 9 weeks working on technical projects in the field in the first year, then 12 weeks in the second year and 14 weeks in the third year. This practical experience complements the theoretical training programme of 12 weeks of classes in the first year, then 10 weeks in the second year and 8 weeks in the final year. The courses are taught by Exclusive Networks' security and network trainers, who are intimately familiar with the brands and technologies distributed by the Group.

France welcomed the 2nd class in September 2023, with about fifteen students.

The students who are part of the Exclusive Academy come from partner schools Guardia (cybersecurity school based in Paris and Lyon), Oteria Cyber School (cybersecurity school based in Paris), and CalPoly in the United States.

The current Initiatives will be maintained and strengthened before considering an extension to other countries.

Internal mobility

The attractiveness of the Company is also based on its ability to support the professional development of employees, thus offering them the opportunity to achieve personal fulfilment. Internal mobility in all its forms (functional, geographical, lateral, vertical) makes it possible to increase the expertise and know-how of employees on the services offered by Exclusive Networks and the professions that the Group addresses and makes it possible to offer attractive and ambitious career paths to employees.

"Rise up" talent identification & retention programme

The human capital management policy includes an annual process for identifying the Company's key employees and developing succession plans covering major and high-responsibility positions.

The objective is to identify potential successors for each of these positions on variable time scales with development and preparation plans, as well as to target positions for which there is a lack or absence of internal succession.

The Group's Human Resources Department has continued and renewed its global programme for identifying and retaining Top Talent, called the "Rise up programme", which now runs over two years, including a year focussed on developing and realising the potential of Top Talents and a year dedicated to contributing to the Group's future strategic projects.

This programme aims to identify, recognise and develop a certain number of talents across the Group, covering different functions, technical or leadership skills, and thus build a talent pool that will be one of the key success factors for the Group to achieve the development objectives it has set for itself.

With the support of local Human Resources managers, country managers and managers, each year, the programme consists of identifying a certain number of employees with high added value, then evaluating their performance as well as their potential for development and career evolution. Once these people have been identified, an individualised development plan is put in place for each of them. Implemented at the local and Group level, it includes Group and individual components, and is associated with mentoring. The animation of a talent community makes it possible to strengthen team spirit, the link with the Company and the creation of a network of internal talents.

This process ensures that high-potential individuals are clearly identified, recognised and supported as part of an enriching development path, to achieve their full professional potential and bring their expertise to the Group.

The retention of employees integrated into the Rise up programme is the subject of a specific indicator, monitored by the Group's Executive Committee and the Board of Directors, which cannot be published for reasons of confidentiality.

Succession Plan

The Exclusive Networks group establishes a succession plan for a number of strategic functions, at a global and local level, thus anticipating the departure of a key employee performing an essential function requiring experience and whose replacement would be difficult, and to ensure the continuity of the organisation and the achievement of the Company's objectives.

This succession plan is built in several phases:

- identification of key functions - management positions, unique, specific and instrumental positions requiring highly specialised skills essential to the Group's development;
- identification of employees likely to move towards these positions in the short, medium or long term with the support of Human Resources managers and line managers; and
- implementation of specific measures and actions to support the development of identified employees' skills.

This succession plan is closely linked to the Rise up programme and is now part of an annual event. The Human Resources Department is also attentive to diversity in all its forms of the people identified in succession plans, whether in terms of gender, profile or nationality.

This process of identifying key positions, shared with the Executive Committee and the Appointments and Compensation Committee secures the continuity of the Group and the availability within it of the skills necessary for its development and sustainability.

7.5.2 Developing employees' skills

Context

Supporting professional development is an important lever for employee engagement and loyalty.

Policy

Exclusive Networks supports and is committed to promoting the development of its employees' skills, in particular through internal and external training or e-learning, which is essential for the transmission of knowledge and know-how and thus gives employees the opportunity to continue to learn and evolve. In addition, internal mobility offers are available to employees to enable them to enrich and diversify their professional experience.

Several action plans (collective and individual) have been implemented by the Group in order to support, encourage and guide the development of its employees' skills and to promote team performance:

- performance appraisal and career development processes in which employees share their desire for development and training with their managers;
- collective and individual training and development policies;
- internal mobility policies;
- succession plans (see above).

The strengthening of human resources governance with the arrival of a Talent Development Director allowing targeted and impactful action on the integration and development of employees is part of this policy (see section 7.2 "Social Issues Governance").

Key monitoring indicators		2022	2023
Maintain and develop employees' technical and professional skills	Percentage of employees who received an annual review	98	99
	Number of certified employees	674	420
	Number of new certifications	1,395	1,211
	Number of video courses	228	971 (completed courses)
	Number of hours of training per employee	10	2.8
	Number of employees who have taken at least one course	524	477
	Number of employees with at least 1 training course (over 3 hours)	152	102
	Amount committed to all training programmes (in euros)	955 K	840 K

Actions implemented

Performance Appraisal & Career Development

An annual interview is organised to enable all employees to discuss with their manager the appraisal of their performance, the objectives for the coming year, their work-life balance, training and development opportunities in their functions as well as career development prospects. This process concerns all Group employees present on 30 September of the previous year.

In 2023, 99% of employees benefited from a performance appraisal and career development interview with their manager.

Training & Individual Development

Training is a key success factor for the Group. Human Resources teams in each country have the opportunity to adapt their training to the challenges and opportunities specific to their scope. This gives them the flexibility to adjust and refine the local approach.

The Group offers a variety of comprehensive training programmes to enable employees to develop and improve their skills consistently. The programmes cover various themes such as public speaking, or the development of managerial or leadership skills. The proposed formats differ according to the themes addressed, the targets and the objectives pursued. Training sessions can be carried out face-to-face or remotely (e-learning, virtual classes), in Groups or individually.

Two types of training are offered to employees:

- "technical" training, which aims to stay at the cutting edge and support the maintenance and development of employees' technical skills in their profession. These courses are essential in cybersecurity, a sector in which innovation is constant. This may include, but is not limited to, training or certification provided by suppliers on new products or technologies, which in some cases may require personnel working on these products to be certified;

- training aimed at developing behavioural and personal skills ("soft skills").

At the global level, the pilot programme that was launched in 2021 in the form of an e-learning platform, under the slogan "*Learn, Engage, Grow: a unique experience to be at the heart of your personal development*" is being extended and renewed. This campaign targets a specific Group of employees, identified by their manager in collaboration with local Human Resources Managers.

The regular animation of the community of learners allows a good learning dynamic that the Group has reinforced by the structuring of impactful and specific recommended content. The Group is renewing this initiative in 2024 with a main focus on talents and managerial functions.

The personal development platform used by the Human Resources Department is recognised as the best in this field, with a digital library of more than 16,000 courses covering a wide range of technical, business, software, marketing and creative topics, accessible in more than 10 languages.

The benefits of this system are:

- unlimited personal access;

- multi-device access;

- multiple formats available (videos, courses, learning paths);

- flexible duration (from 2 minutes to several hours);

- different levels, from beginner to advanced; and

- personalised course recommendations.

Over the past year, the main training modules have focussed on leadership and management, security, business software and sales. Among the modules popular with employees, we can mention for example "The foundations of cybersecurity", "6 morning habits of high-performing people", "Improving concentration", "Expressing yourself confidently and effectively".

Internal mobility

Given the potential offered by its geographical and functional coverage, Exclusive Networks encourages its employees to take an active role in their mobility and professional development. In close collaboration with their human resources department, managers participate in the skills development plan and the management of their teams' career paths.

Given the Group's highly international activity, 88% of Exclusive Networks' workforce is located outside France as of 31 December 2023. Exclusive Networks considers the multicultural dimension to be a major asset in its international development. International, professional and geographical mobility contributes to the wide dissemination of the Group's values within its organisation.

7.6   Human and labour rights commitments

Context

Human rights are a key issue. Respecting, promoting and preventing their violations are at the heart of corporate social responsibility. Taking into account fundamental human rights concerns the Group as much as it concerns all companies and their value chains. The Company promotes a culture of respect for people, for its employees and in its business relationships, and is committed to respecting human rights in all the countries in which it operates.

Policy

In view of the Group's rapid growth in recent years, its international development and its presence on five continents, and the expectations of its stakeholders on this major issue, in 2023 the Group finalised the implementation of major policies relating to the respect of human rights. This work involved governance as well as all employees. The human rights commitments enshrined in the Code of Business Conduct and Human Rights Policy include:

- respect for fundamental human rights, as described in the Universal Declaration of Human Rights adopted by the United Nations General Assembly on 10 December 1948, and in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work adopted in 1998 and amended in 2022;

- decent working conditions: the Group shall set up an organisation and the necessary resources to:

  - protect the health and safety of its employees,

- comply with the laws and social regulations applicable in all the countries in which the Group operates, in particular with regard to working hours, rest and holidays,

- ensure that its employees are fairly remunerated according to their qualifications and skills (see section 7.4 above);

- equal opportunities: the Group has launched a policy and procedures aimed at prohibiting and remedying any situation of discrimination against people, both during their hiring and throughout their professional lives, and to promote diversity and inclusion, considering that it is a strength for the Company, (see the section 7.7 below "*Diversity, Equity and Inclusion*");

- develop the skills of its employees, to enable them to continue to learn and develop their skills and abilities, levers for the Group's success in the cybersecurity sector;

- respect and dignity in dealings with and between our employees, as described in the introduction to this Universal Registration Document.

The Group does not fall within the scope of Law No. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and ordering companies, but remains vigilant to the formal adoption of the European directive voted in June 2023, which extends the scope of the implementation of a vigilance plan to companies with 250 employees as well as to ultimate parent companies (until then, this obligation was limited to companies employing at least 5,000 employees in France, or 10,000 worldwide).

Key monitoring indicators		2023
Respect for human and labour rights	Share of permanent employees in countries without human rights risk	79%
	Share of turnover generated in countries without human rights risk	94%

The Group is mainly established in geographical areas without risks related to the violation of human rights ("free"), according to the source Freedom House. As a result, the Group has 79% of its permanent workforce in these risk-free areas and generates 94% of its revenue there.

Actions implemented

Whistleblowing procedure

Since 2021, the Group has had an outsourced whistleblowing system, which allows the reporting of any violation of the provisions set out in the Code of Conduct. This system is more specifically presented in section 8.3 below. No incidents were reported via the whistleblowing system in relation to a human rights violation in 2023 or 2022. If a violation were to be reported, it would then be investigated and an associated action plan implemented.

Commitments to the prevention of psychological harassment

Exclusive Networks prohibits any attitude that may offend the dignity of persons, in particular any form of harassment. The whistleblowing procedure referred to above makes it possible to deal with such situations.

Outreach and communication

In terms of awareness-raising, "Social respect" training aimed at raising awareness and preventing all forms of harassment has been delivered to all employees in the United Kingdom and to the entire Human Resources function before a wider roll-out in 2024.

General organisation of working conditions

The organisation of working time is adapted to the needs of the Group. Within the various sites, the work of employees is organised within the framework of local regulations, which vary from one legislation to another. The elements associated with working conditions and social dialogue are more particularly detailed in the previous sections. In addition, the Group undertakes to comply with regulations on working conditions (working hours, rest periods, holidays).

The Group must constantly develop its sites in order to improve its operational performance and the working conditions of its employees (see section 7.8 below "*Health & Safety*", which describes the work carried out on certain sites).

7.7 Diversity, Equity and Inclusion (DE&I)

Context

The Group promotes a diverse, equitable and inclusive world free from bias, gender stereotypes and discrimination and where difference is valued and celebrated. Diversity, equity and inclusion are the daily reality of how we live and work within the Exclusive Networks group, and how we work with all business partners.

Diversity, equity and inclusion are fully integrated into the Company's organisation in all areas and at all stages of working life: recruitment, training, compensation, geographical mobility and career development.

The Group is convinced that its performance depends on the quality and commitment of its employees and that a pleasant and respectful working environment benefits everyone and makes the Group more efficient and productive. Respect for individuals and equal opportunities are core values of Exclusive Networks. All employees, managers and executives must take part for the strategy to be effective. Executives are the guarantors of this for all their employees.

Promoting this environment is an important lever for attracting, creating loyalty and retaining talent, ensuring their engagement and fostering and creating places and spaces where all employees thrive. It is by building on these values that the Group will continue to deliver superior business results, sustainable growth and drive innovation to maintain its competitive edge in its industry.

Policy

Exclusive Networks wanted to strengthen its commitment to diversity and inclusion with the launch of its first diversity, equity and inclusion policy on 8 March 2023, International Women's Day. In particular, the Group undertakes to:

- create an inclusive work environment;

- promote equal opportunities and combat all forms of discrimination;

- promote diversity and equality of resources in all their forms: creation of action plans focussed on career advancement, equal pay, training and work-life balance;

- promote cultural and ethnic diversity, and diversity of origins: Exclusive Networks expects its employees to recognise, respect, and welcome all cultural differences wherever it operates;

- respect and accept all sexual orientations and gender identities; and

- take into account intergenerational differences: it is important for Exclusive Networks to value both the experienced vision of seniors and the innovative spirit of young talent.

This policy, as well as the Code of Conduct, which sets out the commitments in terms of non-discrimination, formalise the commitments to mutual respect and diversity within the Group.

As part of this policy, Exclusive Networks is committed to fostering, adopting, encouraging and preserving a culture of diversity, equity and inclusion (DE&I) and to taking concrete actions to combat all forms of discrimination.

This policy supports and aims to contribute to the achievement of the United Nations Sustainable Development Goals, in particular Goal 5. The Group is committed to implementing a more sustainable way of working and living by respecting all employees, regardless of their origin, gender, sexual orientation, political point of view, religious belief, social status or any other personal condition.

As part of its DE&I journey, the Group is focussing its efforts on four major issues, which are associated with an action plan, performance indicators and a timetable for implementation:

- **ensure the representation of women in management positions** (members of the Executive Committee and their N-1s, Regional Managers, Country Managers and their Management Committees among countries with a turnover of more than €100 million);
- **improve employee awareness and understanding of diversity,** inclusion and equity through training modules;

- **promote equal access to opportunities** for all employees through a single, transparent access and process on the career page of the Company's website; and
- **ensure equal treatment** of men and women.

Despite the actions taken, the ability to recruit women in the field of engineering and cybersecurity remains constrained by their under-representation in educational courses and careers related to computer and digital technologies. Nevertheless, the distribution of men and women within the Company, which can be constantly improved, appears to be very positive.

Exclusive Networks may need to evolve its processes and objectives in response to progress on these topics, or to take into account new business needs and objectives.

A progress report is presented each year to the Board of Directors, covering the initiatives implemented as well as the progress of the various objectives.

> **As a sign of its commitment to this issue, the Group is working in particular on gender parity and has set itself a target of 40% of women executives or managers by 2025 as part of its 2025 programme.**

Key monitoring indicators		2022	2023
Ensuring the representation of women in leadership roles	Number and percentage of women recruited	41%(253)	39%(183)
	Proportion of women in managerial positions*	34%	38%
	Proportion of women on the Board of Directors	38%	37.5%
Awareness and Understanding of DE&I	Percentage of employees and managers who have completed DE&I training and approved the DE&I policy	N/A N/A	67% 59.2%
Equal treatment of men and women	Proportion of women participating in the "Rise up" training programme	42%	45%
	Proportion of women benefiting from a performance share award	27%	39%
	Gender Equality Index (out of 100)[1]	86	97
	Average pay gap between men and women	11,6%	2.5%

* Indicator with a target for 2025.
(1) Only Exclusive Networks (a simplified joint-stock company) is subject to the gender equality index, a regulatory indicator for French companies with more than 50 employees. The index is calculated each year in respect of the previous year.

The Group tracks the ratio of women in management positions (members of the Executive Committee and their N-1s, Regional Managers, Country Managers and their Executive Committees) among countries generating revenues above €100 million, which stands at 38% in 2023, up from the previous year.

Actions implemented

Ensuring the representation of women in leadership roles

Distribution of governance members by age 2023

25% Baby-Boomers (≤ 1964)

12% Millennials (1981–1996)

63% Generation X (1965–1980)
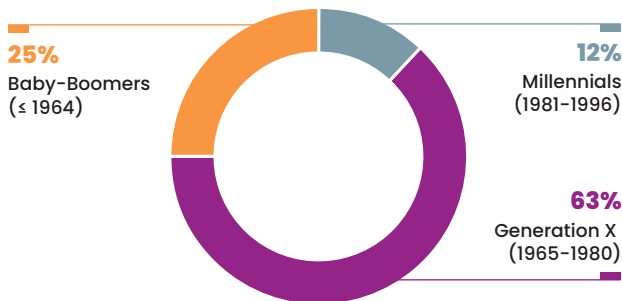
Exclusive Networks' commitment to achieving a balanced representation of men and women is reflected in the composition of its management bodies. Thus, the proportion of women Directors on the Company's Board of Directors is 37.5% in accordance with the legal provisions and the AFEP-MEDEF Code. As of 31 December 2023, the Executive Committee had 2 women out of 8 members.

The Group conducted a study on the share of women in various management positions and proposed an action plan to the Executive Committee and countries to help accelerate the transformations underway. Various actions have been undertaken, in particular:

- specific monitoring of women in talent review: the annual performance review system makes it possible to identify professional development or mobility projects for employees, in particular, projects developed by women, including those aspiring to become managers. Nearly 14 employees make up the pool of female talent and participate in the Rise Up training programme to promote access to positions of responsibility. The 24-month Rise up programme (see section 7.5) contributes to the development of inclusive leadership skills in future managers. In 2023, 45% of programme participants were women. A mentorship programme supports high-potential women in their career development;

- particular attention is also paid to female profiles as part of the process of identifying key collaborators and drawing up the succession plan (see section 7.5 of this report);

- the Group has put in place an inclusive hiring process and ensures that shortlists for management positions include women, and actions are taken as part of the recruitment process to ensure that employees include female profiles, whether they are candidates or employees involved in the selection process for future talent.

Awareness and understanding of Diversity, Equity and Inclusion

In order to support the launch of its DE&I policy, raise employee awareness of the issues associated with it, and prevent any risk of discrimination, the Group developed two online training modules in 2023:

- the first module, "Diversity and Inclusion", provided employees with an overview of the importance of diversity and inclusion in their daily interactions and decision-making processes with the aim of enabling them to better understand how to foster an environment that values differences;

- the second module, "Unconscious Bias" allowed employees to explore this concept and its potential impact on their interactions and perceptions. By acknowledging and addressing these biases, Exclusive Networks is able to ensure fair and impartial treatment of all employees to enable them to better understand the issues, increase their knowledge of these topics, and fight against all forms of discrimination.

This training is carried out by local human resources teams, available in all countries, and is accessible to all employees. In 2024, this training will be an integral part of the mandatory training integrated into the onboarding of new employees.

Non-discrimination in all its forms is an integral part of recruitment and management training modules. Managers are thus made aware of professional equality between men and women.

In 2023, three inappropriate behaviours were identified, linked to discrimination or harassment, in particular through the whistleblowing procedure.

Equal treatment of men and women - Pay equity

In addition to actions to promote equal treatment of men and women in recruitment and access to training (see above), the Group strives to offer attractive and fair remuneration that contributes to employee loyalty and the Group's performance. In this sense, remuneration policies are based on the principles of non-discrimination and equity between employees regardless of their gender, and are structured by an evaluation based on required skills and shared objectives based on objective criteria. In France, the Group publishes an index that measures any pay gaps between women and men.

The Group measures the gender pay gap in two ways:

- based on a career salary index (men/women index) whose calculation and publication methods are regulated; the index stands at 97% for 2023;

- the difference between women's average total pay compared to men's average total pay by job level. The calculation is based on the employees' full compensation, including base salary, target variable

compensation, and other benefits. The number of employees taken into account includes permanent employees, regardless of their contract, and excludes trainees and apprentices (for reasons of relevance, when there are less than five male or female employees per level, the calculation is not made). In France, there is a pay gap of 2.5% in favour of men, the calculation not having been made on countries with small numbers given the minimum number of employees per level.

See chapter 4 of the URD as the report on corporate governance which presents the equity ratios in terms of employee remuneration taking into account all Exclusive Networks employees in France (fixed-term and permanent contracts), continuously present over the year 2023 which constitute an extended scope representative of Exclusive Networks' activities in France.

Policy to attract young talent

The Group's actions in the recruitment of young people detailed above contribute to the implementation of the DE&I policy. The Group welcomed the 2nd class of the Exclusive Academy in September 2023, which has about fifteen students.

7.8   Health and Safety

Context

Exclusive Networks' commitments are aimed at providing all employees with working conditions that ensure their health and safety in compliance with laws and regulations.

The nature of the Group's activities as well as the small number of employees per company explains why very few of them are certified according to a health and safety standard, without reflecting the importance of this subject for the Group and the commitment of Human Resources Managers as close as possible to the local teams. As a result, 10% of the workforce is represented in a collective health or safety proceeding and 8% are employed in a company with health or safety certification.

Work-life balance is also an important driver of employee engagement and retention.

Policy

In terms of health and safety, the Group focusses its actions mainly on the mental health of its employees, more specifically, the reduction of stress at work.

Exclusive Networks also endeavours to ensure that its practices in terms of the organisation of work and other time spent in the Company aim as far as possible to maintain a good work-life balance, in particular allowing for the proper exercise of parenthood. This topic is an ongoing focus that echoes the pressure to which the entire cybersecurity sector is subject due to the skills shortage. The internal survey, which is carried out every year, measures the level of satisfaction of employees with regard to work-life balance.

The Group has put in place a global policy on hybrid work based on everyone's trust and responsibility. It encourages ways of organising work to improve the quality of life at work while reducing travel time.

Key monitoring indicators		2022	2023
Maintain the safety and security of employees	Absenteeism rate[1]	1.80	7.09
	Occupational injury frequency rate[2]	0.28	0.24
	Severity Rate[3]	0	0.05
	Satisfaction rate with the work environment	67%	66%
Work-life balance	Number of employees on permanent contracts working part-time	124	125

(1) Absenteeism rate = (number of hours of absences from the period/number of hours worked in theory over the period) x 100

(2) Frequency rate = ratio of the total number of accidents (at the workplace) resulting in death or total disability for at least one day (excluding the day of the accident) to the number of hours of exposure to the risk, multiplied by 1,000,000

(3) Severity rate = ratio of the number of calendar days actually lost as a result of accidents at work (at the workplace) to the number of hours of exposure to the risk, multiplied by 1,000

The absenteeism rate was particularly high in 2023 following several observed cases of Covid-19.

The frequency rate of accidents at work as well as the severity rate remain quite low, unsurprisingly in the sector of activity.

Actions implemented

Reducing stress at work

As part of its general risk prevention policy, Exclusive Networks is committed to promoting a quality environment for its employees, which reduces psychosocial risks. Through the annual satisfaction survey, Exclusive Networks measures employees' appreciation of their working conditions and thus detects situations that generate difficulties at work.

The major initiative launched in 2023 to better take into account stress at work and the potential need for support and guidance, particularly of a psychological nature, has been the implementation of an Employee Assistance Programme (EAP) in all our countries.

Local initiatives have also emerged with several tests related to the integration of animals in the workplace known for their positive impact on the body, reducing stress, easing tension and increasing concentration and interaction between colleagues. In the UK, in particular, tests have taken place with the integration of employees' pets or even the integration of llamas.

In the UK, Belgium and the Netherlands, free lunches were also introduced to reduce any financial stress.

In addition, a whistleblowing procedure has been introduced and cyberbullying is taken into account (see section 8.2 for more information on the whistleblowing system).

Hybrid work

Finding a balance between on-site and remote work is essential to ensure work-life balance.

The Group always allows employees to work from home as much as possible while preserving time in the office in order to maintain collaboration and strengthen the sense of belonging and teamwork. To this end, in addition to local collective agreements on working conditions, the Group has implemented a global hybrid work policy since 2021, intended to serve as a guide for management and employees alike.

This policy determines the Exclusive Networks group's philosophy on flexible working and is implemented and adapted at the local level, to take into account the applicable regulations and the specificities of each company. It can be formalised via teleworking or flexible working agreements in certain geographies where the Group is present, such as the United Kingdom.

This policy gives the possibility to agree to fixed and/or occasional teleworking days, thus allowing up to two teleworking days per week.

In 2023, this policy covered all countries in which Exclusive Networks is present with local adaptation where necessary.

In addition to enabling a better work-life balance, this policy also helps to limit the travel time and environmental impact of employees' commuting (see section 3.6 of this Non-Financial Performance Statement).

As part of the annual performance evaluation of employees, workload is taken into account in setting goals in order to reconcile professional and personal life, among other things, via the annual satisfaction survey.

Arrangement of working time

In addition to this hybrid way of working, Exclusive Networks ensures that requests for flexible working time, such as requests for part-time work as well as statutory or personal leave made by employees in compliance with applicable laws and regulations and when activities allow it.

Workspace layout: New premises offering space and well-being

Major works were undertaken on the premises of the Group's head office in Boulogne Billancourt in 2023, allowing employees to benefit from completely renovated, larger, more flexible and more collaborative spaces.

These spaces offer more places for exchanges, meeting rooms, more open and less formal discussion spaces and teleconferencing equipment in line with teleworking and above all spaces for conviviality. The premises also offer access to a room dedicated to the practice of sports activities.

The internal survey, which is carried out every year, measures the level of satisfaction of employees with their workspace. In 2023, it stands at nearly 66%.

7.9 Consumers and end-users

Policy

The increase in cyber threats against businesses represents a major risk in an increasingly digitised and dematerialised global context. The Group contributes to reducing malicious cyber-attacks, thus having a positive impact on data protection and the protection of healthcare systems, governments and companies.

As a global leader in the distribution of cybersecurity products and services, Exclusive Networks must put in place a governance and organisation to protect against and respond to attacks. Exclusive Networks is committed to strengthening its resilience and implements risk management methodologies in accordance with ISO 27000 standards and the main international standards (see below, paragraph 7.9.2 "Protection of the information system").

This procedure complies with the best practices and rules defined by the ISO/IEC 27005:2022 standard - Information Security Risk Management, which deepens the general concepts of risk management specified in the ISO/IEC 27001 standard.

7.9.1 Governance and organisation of information systems security

The Information Systems Security Department relies on a multidisciplinary team as well as a centralised organisation, placed under the authority of the Chief Information Security Officer & Chief Technology Officer (CISO & CTO) composed of information systems security officers:

- the Global Security Operations Centre (GSOC) department in charge of managing security incidents throughout the Group, including local infrastructures and offices;

- this department has been bolstered by an external Managed Endpoint Detection & Response service, which monitors and responds to security incidents 24/7, and can initiate legal investigations if necessary;

- the Security Strategy & Governance (SSG) team was set up in 2023 with the aim of developing an operational model for IT security governance within Exclusive Networks (ISMS, AI Governance, Information Risk Management, etc.). The SSG is also responsible for the development and implementation of security strategies (device management, data security, etc.), access management and security identification and awareness.

All of these players thus contribute to securing the Group's Information Systems as well as the exchange of information with customers, suppliers and more generally Exclusive Networks' partners.

Organisation of the security of Information Systems
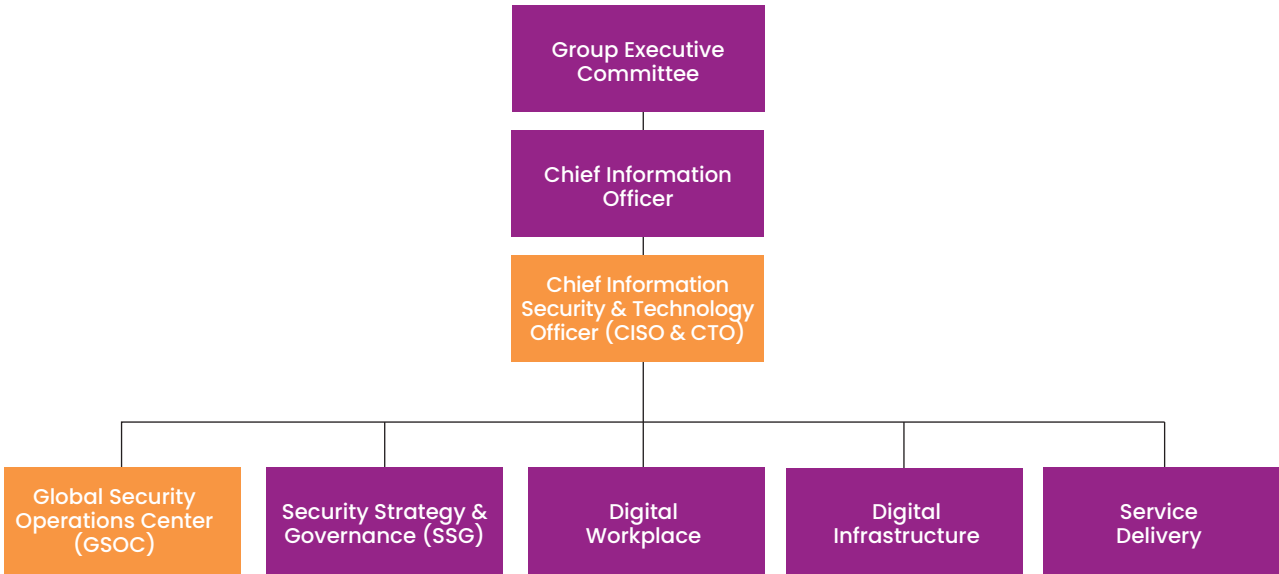
□ component elements of the Cyberdefense council

The CISO & CTO has full authority over the entire security infrastructure of the Group, both at their level and in the countries in which the Group operates. Combining CISO and CTO functions in the same person ensures an efficient deployment of policy and associated security systems, as well as proximity between IT and security teams.

The CISO & CTO reports directly to the Chief Information Officer, a member of the Group's Executive Committee, who is regularly informed of threats (see below the "*Protection of Information Systems*" section 7.9.2, "reporting" paragraph of this Universal Registration Document).

Security Teams & Responsibilities

SOC Team

Global security operation center

- Security Monitoring
- Incident Response
- Vulnerability Management

SSG Team

Security Strategy & Governance

- IT Governance, Risk & Compliance
- Identity & Access Management
- Security Awareness
- Security Strategy & Design

The Cyber Defence Council

Although the Group's Cyber Defence Council is primarily aimed at staff trained in technical functions (IT managers) in order to support them in security initiatives, the Group has made structural changes to improve team cooperation. The Digital Infrastructure and Workplace teams, which previously reported to the CTO, have been consolidated under the leadership of the CISO.

This reorganisation has enabled the teams to improve their synergies and accelerate collaboration between security and technology, with cross-functional collaboration of teams and workgroups to improve and develop cybersecurity resilience overall.

Certification of the Global Security Operations Center

The Group's Global Security Operations Centre was officially certified at the end of 2023, as assessed and recognised by Trusted Introducer.

The Trusted Introducer Service (TI) was created by the European Computer Emergency Response Team (CERT) in 2000, to address common needs and set up a service infrastructure that provides essential support to all IT security and incident response teams. It is a not-for-profit organisation that lists, accredits, and certifies security teams in accordance with their demonstrated and verified maturity levels. In order to be certified, a team's maturity level is audited against the Security Incident Management Maturity Model (SIM3).

This industry-recognised standard evaluates the four areas of action of the teams responsible for responding to and handling security incidents: Organisation, Human, Tools and Procedures.

7.9.2   Information System Protection

In 2023, the Group rolled out its Information Security Risk Management procedure. It defines how the Group manages information security risks in order to adequately protect information and its information assets.

This management is structured around the following main steps: identification, prioritisation, management and monitoring of the Group's risks concerning its information assets, operations and projects. Through the IT risk management process, stakeholders will be consulted to oversee and control risk treatment and monitoring to ensure its effectiveness.

This procedure ensures the confidentiality, integrity and availability of the Group's systems, information and services. The scope of this procedure applies to the Group, its subsidiaries and its departments, and is aligned with the scope of the new Information Security Management System (ISMS) that has been deployed since the beginning of 2024.

This procedure complies with the best practices and rules defined by the ISO/IEC 27005:2022 standard - Information Security Risk Management, which deepens the general concepts of risk management specified in the ISO/IEC 27001 standard.

Deployment

In order to carry out its mission, the following security tools have been deployed and implemented in a centralised, standardised, and automated manner:

1 Asset management: asset lifecycles, asset and software inventory;

2 Data capture and behavioural analysis of users and entities (Security Information and Event Management and User and Entity Behavioural Analysis), using artificial intelligence;

3 Email security;

4 Managed Endpoint Detection & Response using artificial intelligence and behavioural analytics;

5 Vulnerability management;

6 Endpoint and patch management;

7 Identity and Access Management, using artificial intelligence and behavioural analytics;

8 Web security (Cloud Access Security Broker and Secure Access Service Edge) using artificial intelligence and behavioural analytics;

9 Security Orchestration Automation and Response (SOAR);

10 Threat Intelligence: An instance of the Malware Information Sharing Platform (MISP) that identifies, analyses, and shares cyber threat intelligence with other organisations.

The majority of the selected vendors and solutions come from the Exclusive Networks portfolio of cybersecurity products and solutions, and are recognised as a "Magic Quadrant Leaders" by Gartner (a leading technology assessment consulting firm).

Cyber Exposure Score (CES)

The Cyber Exposure Score (CES) quantifies the Group's relative risk, based on the exposure to threats and the criticality of assets (workstations, servers). Keeping the CES at a "low" level (below 350) is one of the Group's key monitoring indicators, which it achieves by carrying out frequent patches and updates to the system.

Reporting

The Group has expanded the security information provided to the Executive Committee and Country Managers. This communication is based on regular security communication and reporting. This includes information on the latest security threats and trends, reporting via KPIs on the Group's cyber exposure as well as statistics on security alerts, attack simulation results and more.

As one of the tools used to assess the security of the information system is the Cyber Exposure Score, the Group has set itself the objective of achieving a score of "Low" or less on this index by 2025.

Key monitoring indicators		2022	2023
Control and follow-up of IT security incidents	Number of incidents reported through the reporting set up by the Group	2,254	2,846
	Number of attempted break-ins	262	389
	Number of successful break-ins	1[1]	0
Monitoring and controlling the level of risk in terms of exposure to threats	*Cyber Exposure Score* (CES)*	384	333

* Indicator with a target for 2025.

(1) With no substantial risk for the Group.

Thanks to the actions carried out by the various Global IT teams, Exclusive Networks managed to achieve an ATL (All Time Low) for CES in the last quarter of 2023 (312).

The overall trend for 2023 is downward, illustrating the added value of cooperation between infrastructure and security teams.

Evolution of the Cyber Exposure Score (CES) in 2023

Legend: EXN Global — IT Industry — Linear (EXN Global)

Actions implemented

Training and awareness-raising for employees

While technology is often an essential recourse against cyber threats, the Group deploys a number of initiatives with regard to its employees.

The Group is therefore conducting a training and awareness-raising campaign for resilient teams. In this regard, and in order to ensure that the training is carried out in a structured manner, a new awareness programme for the Group's employees has been developed (Cyber Awareness Programme). This programme consists of a set of initiatives that enable the management of the organisation's human risks by training users on potential threats related to cybersecurity. It aims to strengthen end-users within the Group to protect themselves against cyber threats, increase their awareness of cybersecurity best practices and develop a security culture, which will strengthen the one present within the Group. By implementing this programme, the Group seeks to reduce the likelihood and impact of potential security incidents.

Trainings carried out during the year 2023

	Q1	Q2	Q3	Q4
General awareness training	●━━━━━━━━━━━━━━━━━━━━━━━━━━━●			
Tailored awareness training		●		
Cybersecurity awareness month				●
Bites & Bytes	●	●	●	●
Security alerts & News	●━━━━━━━━━━━━━━━━━━━━━━━━━━━●			
Quarterly security newsletter	●	●	●	●
Phishing simulations	●	●	●	●

In addition to the mandatory monthly training for all employees and the quarterly phishing campaign, the programme expanded on previously proposed initiatives.

One of the evolutions of the programme was the implementation of an annual Cyber Awareness Month, which was carried out for the first time in October 2023. The trainings during this month were focussed on digital security awareness and empowering employees on protecting their personal data from cybercrime.

During the month, the Group organised:

- 3 awareness trainings (Cloud Security, Secure Web Browsing and AI Chatbot Threats);

- 1 phishing simulation;
- 3 live sessions with tests and an exchange of questions and answers
  - SOC Threats and Trends,
  - The Art of Password Management,
  - Security & Technology Roadmap.

In addition, the Group has launched a new Security Awareness page on its Intranet to share best practices, security newsletters and security alerts with all its employees.

Key monitoring indicators		2022	2023
Employee training and awareness of IT security	Number of training modules provided to all Group employees	7	10
	Number of phishing campaigns delivered to all Group employees	4	4

7.9.3 Data protection

The Group collects and processes personal data for two main purposes:

- on the one hand, as an employer, to comply with its legal obligations and to implement skills development policies (see section 7.5 of this Universal Registration Document);

- on the other hand, in the context of its activities, for the marketing of its products and services.

As such, the Group is subject to international regulations such as regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 General Data Protection regulation (GDPR), as well as the local legislation applicable in the countries in which it operates, including the Data Protection Act 2018 for Great Britain (non-exhaustive list).

In order to respect the right to the protection of personal data and privacy, the Group has set up an organisation reporting to the Group General Counsel & Group Compliance Officer, composed of:

- the Group Data Protection Officer, in charge of advising and supporting the Company in order to ensure the compliance of processing, and to disseminate the culture and rules relating to the protection of personal data to all employees;

- the team of Legal Counsel, in charge of ensuring that the applicable legislation on the protection of personal data is properly taken into account in contracts; and

- a specialised consulting firm, providing support on various subjects and in particular on the consideration of local regulations outside Europe.

The objectives of this organisation are to:

- establish policies and procedures relating to the protection of personal data;

- provide operational staff with analysis and decision-making tools, as well as standard contractual clauses;

- ensure the presence and compliance of clauses relating to the confidentiality of personal data in contracts, whether with suppliers, customers or service providers of the Group;

- ensure the minimisation of the data collected and the principle of "Privacy by Design" from the design stage of a system involving the processing of personal data;

- respond to requests from any person wishing to exercise their rights of access, rectification, opposition, or deletion of data, whether an employee or a third party;

- design and deliver the employee awareness programme; and

- ensure regulatory monitoring.

At the end of 2023, the Group published its Data Classification Policy to define the structure that can be used to categorise and classify data from information assets within Exclusive Networks.

The objective of this policy is to assist data holders, business holders, IT custodians, contractors and third parties in the analysis of information assets in order to identify the level of security necessary to protect the data within the Group's information system, for which it is responsible.

During 2023, the Group organised a Cyber Security Awareness Month during which employees were offered mandatory training on the protection of personal data (see above).

All Group employees will be asked in 2024 to comply with and sign the classification policy to ensure a clear understanding of their role and responsibility in terms of data protection.

In addition to the Group's risk management procedure, this policy brings it closer to its objective of completing its ISMS in the first quarter of 2024.

New Device Management Strategy

Mobile devices, such as mobile phones, tablets and computers, have become an integral part of the means of accessing information. To contribute to the security of the Group's information and data, a strategy has been developed and specific security controls have been established.

The New Device Management Strategy is intended to establish a framework for the secure management of personal, semi-managed or fully managed devices within the Group. Its goal is to harmonise information security, compliance, and management control across all end-user devices to ensure a positive, secure, and seamless experience. With this new approach, the Group significantly reduces the risk of data breaches, break-ins by malware and the spread of malware.
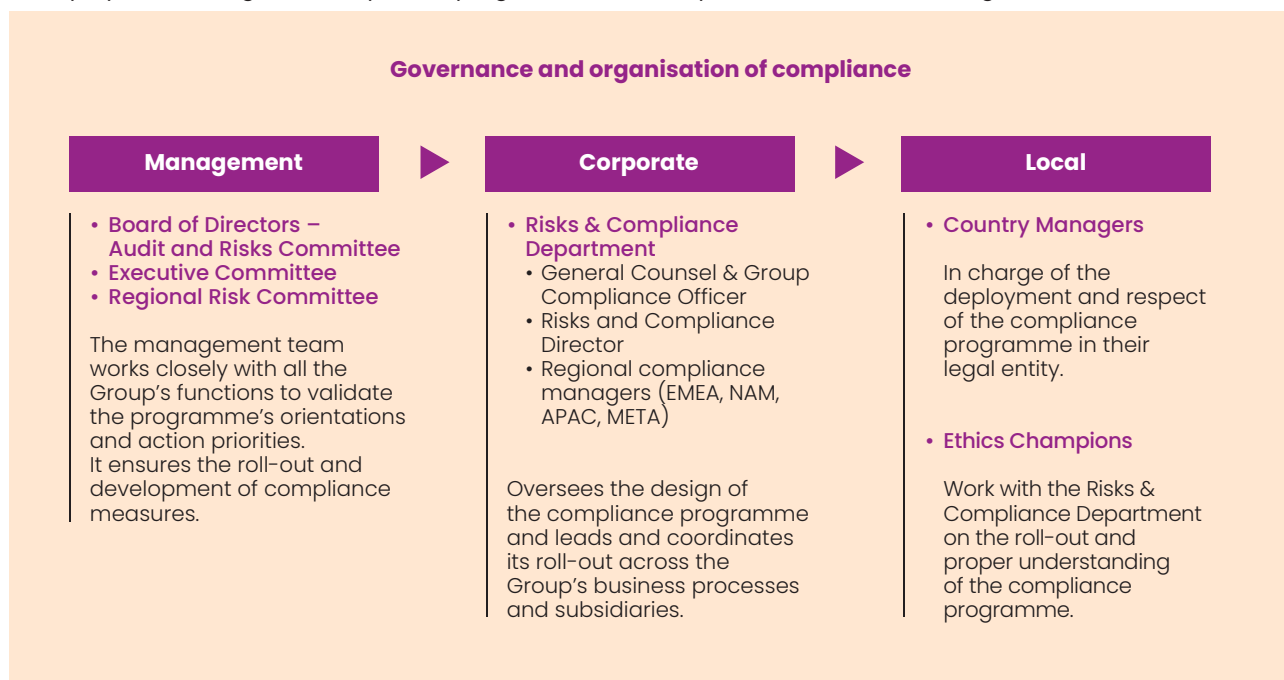
8   Corporate culture and business conduct policies

8.1   Compliance governance and organisation

In the conduct of its business, the Exclusive Networks group promotes a culture of integrity and compliance, based on compliance with and adaptation to new standards and applicable legislation, both in France and in the countries where it operates and where its employees operate.

To deploy and manage the compliance programme, the Group relies on a dedicated organisation described below:

Governance and organisation of compliance

Management	Corporate	Local

• Board of Directors – Audit and Risks Committee
• Executive Committee
• Regional Risk Committee
 	
The management team works closely with all the Group's functions to validate the programme's orientations and action priorities.
It ensures the roll-out and development of compliance measures.
	• Risks & Compliance Department
	  • General Counsel & Group Compliance Officer
	  • Risks and Compliance Director
	  • Regional compliance managers (EMEA, NAM, APAC, META)
	
	Oversees the design of the compliance programme and leads and coordinates its roll-out across the Group's business processes and subsidiaries.
		• Country Managers
		
		In charge of the deployment and respect of the compliance programme in their legal entity.
		
		• Ethics Champions
		
		Work with the Risks & Compliance Department on the roll-out and proper understanding of the compliance programme.

At the corporate level

- **The Group's General Counsel and Chief Compliance Officer**, who reports to the Group Chief Executive Officer on these matters, defines and organises the Compliance function and oversees its implementation in the Group. In particular, its mission is to bring the subject before the various governance bodies (Group Executive Committee, Audit and Risks Committee, and the Board of Directors). It shall decide freely, and independently, on any internal investigation it deems appropriate and which shall be entrusted to internal audit.

- **The Risk and Compliance Director**, who reports to the Group's General Counsel and Chief Compliance Officer, designs the compliance programme, first and foremost the one relating to the anti-corruption system, manages and controls the deployment, implementation and updating of the system, and leads the Compliance network within the Group, ensures regulatory monitoring as well as best practices, organises and leads Compliance training courses in the Group. The Risk and Compliance director is the point of contact for operational functions. She/he participates, if necessary, in internal or external investigations relating to the programme, or likely to be initiated in the event of the use of the internal whistleblowing system.

At the local level

- **The Regional Risk Committee**

  The Regional Risk Committee brings together the SVP of the region concerned, the Group General Counsel and Chief Compliance Officer, the Director of internal control, the Director of internal audit, the Director of Risk and Compliance, the Regional Finance Director, the Regional HR Director and the Regional Risks & Compliance Manager. In place for the Asia Pacific region since 2022, it was implemented in 2023 for the EMEA (Europe, Middle East and Africa) region.

  Each Regional Committee provides an opportunity for its members to discuss ongoing business, implementation of the compliance programme, audits, and any other matter relevant to the region concerned. These discussions are followed up by the stakeholders responsible for the topic when necessary.

- **The Country Manager**

  They are responsible for the deployment and compliance of the compliance programme in the legal entities for which they are responsible.

- **The Ethics Champions Network**

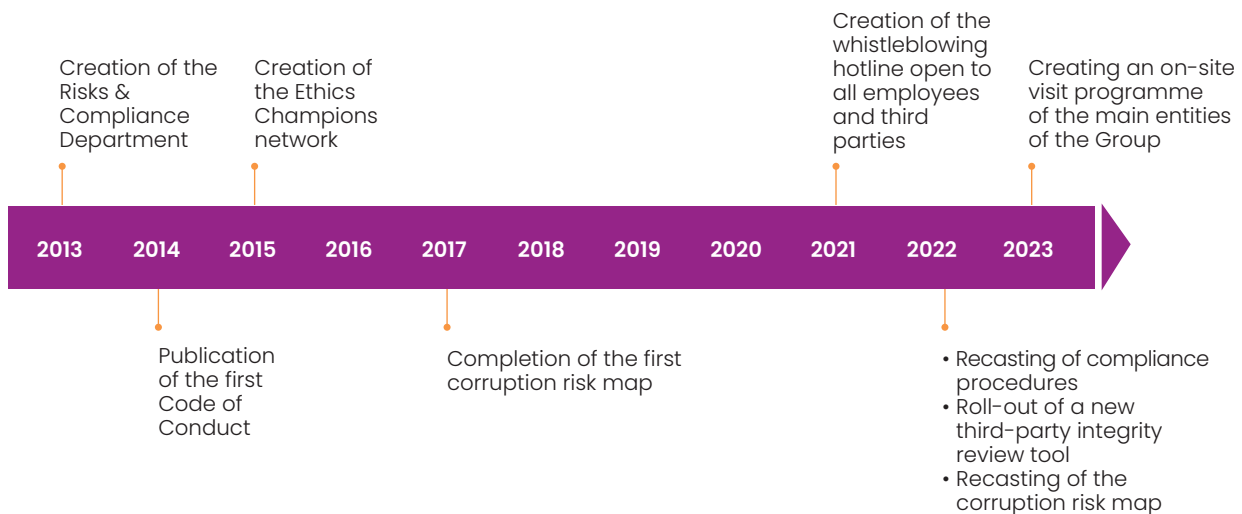The main mission of the Ethics Champions Network, made up of around 50 employees, is to deploy the

compliance programme in conjunction with the Risk and Compliance Department, and to ensure that it is properly taken into account and understood.

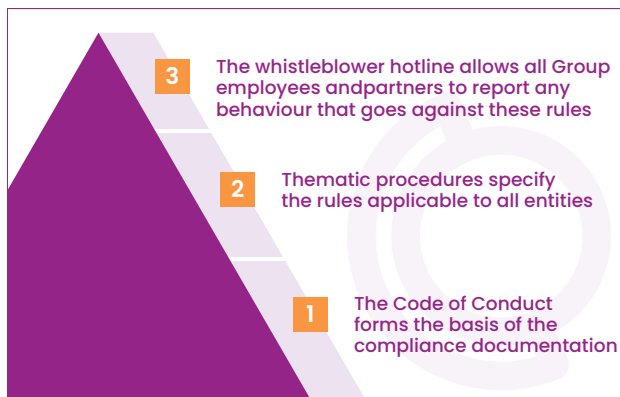# 8.2 Ethics, prevention and the fight against corruption

A mature compliance programme

Adopting and promoting honest and ethical behaviour in all its relations and with all its partners is a strong commitment of the Exclusive Networks group. This principle has led the Group to define rules of conduct in terms of ethics, intended for its employees as well as for all its business partners and stakeholders.

Key date in the Group's compliance policy

Creation of the Risks & Compliance Department — 2013

Creation of the Ethics Champions network — 2015

Creation of the whistleblowing hotline open to all employees and third parties — 2021

Creating an on-site visit programme of the main entities of the Group — 2023

Publication of the first Code of Conduct — 2014

Completion of the first corruption risk map — 2017

2022:
- Recasting of compliance procedures
- Roll-out of a new third-party integrity review tool
- Recasting of the corruption risk map

Through its internal policies and procedures, the Group establishes the guiding principles applicable to all its subsidiary companies, designed to provide employees with the rules of good conduct and behaviour to adopt in terms of business ethics and the fight against corruption. The compliance programme is structured as follows:

3 The whistleblower hotline allows all Group employees andpartners to report any behaviour that goes against these rules

2 Thematic procedures specify the rules applicable to all entities

1 The Code of Conduct forms the basis of the compliance documentation

Some of the policies and procedures that make up the Exclusive Networks group's anti-bribery and corruption programme include the Code of Conduct, the Conflict of Interest policy, and the Gifts and Hospitality policy.

All procedures and policies are addressed individually to each employee as soon as they are hired through the Group's e-learning platform. They give rise to an acknowledgment of receipt as well as a questionnaire to ensure that they are properly understood.

In order to robustly address the risk of corruption or non-compliance with internal business ethics regulations and procedures, the Exclusive Networks group regularly updates and develops its compliance programme, to take into account its corruption risk map as well as new regulatory and legal requirements.

In 2023, the Group continued to update and complete its corruption risk management system on three major measures:

- re-execution of the corruption risk mapping in accordance with the remediation plan;

- creation of a programme for on-site visits to the Group's entities and review of the implementation of the elements of the compliance programme;

- review of the third-party onboarding system; and

- training of employees and more specifically of the Executive Committee.

Updating and centralising the corruption risk map

The Group's activities and processes are subject to regular risk analyses, which aim to provide appropriate and proportionate remediation solutions to detect and prevent these risks.

In 2022, Exclusive Networks undertook the complete overhaul of its specific mapping dedicated to corruption risks, in accordance with the recommendations of the supervisory authorities. This project, which was of major scope, covered all of the Group's operating companies. Based on all of the Group's functions and with the support of an independent consulting firm, the methodology has been designed taking into account the recommendations of the Agence Française Anticorruption and best practices according to international standards.

This project made it possible to map the corruption risks of each of its subsidiary companies carrying out an operational activity.

The updating of this mapping has led to the updating of the scope of the risks considered and the associated action plan. The results of this work and the consolidated remediation plans at Group level were presented to the Executive Committee and the Audit and Risks Committee on 28 April 2023.

During this update and consolidation, the Compliance Department was able to observe that some entities had underestimated risks. The entity concerned was then asked to review its risk mapping as part of its remediation plan. The re-execution was coordinated by the Risk & Compliance Department, which provided in-person training on bribery and corruption risks to all of the entity's employees. In addition, the risk scoring workshop was conducted in person, unlike the previous year when the scoring workshops were conducted remotely.

Key monitoring indicators		2022	2023
Carry out the re-execution of the corruption risk mapping in accordance with the remediation plan established in 2022	Number of entities for which risk mapping has been rerun	59	8
	Number of local employees involved in the risk assessment	463	63

Creating an On-site Visit Programme

In 2023, the Risk and Compliance Department inaugurated a new "On-site Visit" programme to ensure the effective deployment of the anti-corruption programme at the local level.

The visit programme includes:

- face-to-face training for all employees, with Groups of up to 20 participants. The topics covered are aimed at strengthening the understanding and awareness of risks within the organisation;
- targeted interviews with key functions such as Country Manager, Human Resources, Marketing, Sales, Finance, and Ethics Champion, deepening understanding of the risks specific to each area;
- monitoring the implementation of the programme, which involves in-depth discussions during which the practical application of the procedures is examined in detail. In some cases, examples of implementation can be requested as an indication, thus facilitating the identification of good practices or areas for improvement.

Each visit concludes with an email highlighting the best practices identified as well as areas in need of improvement.

Key monitoring indicators		2023
Establish a site visit schedule	Number of entities visited	9*

*   The 9 entities visited cover the following regions where the Group operates: Europe, Asia, Middle East.

Third-Party Review

All third parties with whom the Exclusive Networks group intends to initiate or continue a business relationship are subject to a specific and appropriate onboarding process, aimed at determining the level of potential corruption risk posed by each third party, and implementing the necessary mitigation measures to ensure compliance with the ethical standards that the Group has set for itself.

Accessible to all employees, this system makes it possible to quickly identify whether, in the absence of any negative signal, the risk is low, or conversely if a risk in terms of corruption or ethics is detected. When the tool detects negative signals, the third party concerned is considered "at risk": additional checks are then initiated and submitted to the validation of the Risk and Compliance Department and the Country Manager concerned.

In 2023, the Group developed the process and included:

- updating internal and external questionnaires to conform to evaluation best practices;
- creating two new categories of third parties (payment agents and charities);
- updating the approval process; and
- implementing e-learning training for high-risk third parties.

This third-party integrity review system is being rolled out gradually, which will continue in 2024.

> **The Group's target of completing 100% of due diligence on high-risk third parties was achieved in 2023.**

Key monitoring indicators		2022	2023
Assessment of the integrity of third parties with whom the Group has or will enter into a business relationship	Number of third parties assessed in the integrity review system	4,968	11,962
	Number of moderate or high risk third parties who have formally endorsed the Code of Conduct*	141	512

*   Indicator with a target for 2025.

Communication, awareness-raising and training actions

Since 2015, compliance training has been provided several times a year:

- by the Risk and Compliance Department, in particular during seminars organised in person and more occasionally during the year, during face-to-face or online meetings;
- by the Ethics Champions, directly with their local teams, after having themselves been trained by the Risk and Compliance Department; and
- by the Risk and Compliance Department, when a new Chief Financial Officer or Country Manager is integrated.

The training courses organised by the Risk and Compliance Department are adapted whenever possible to the functions of the participants (marketing, finance, General Management or Ethics Champions). The training courses organised by the Ethics Champions are most of the time common to all employees in the region, based on the training materials prepared by the Risk and Compliance Department.

In 2023, the Risk and Compliance Department executed its training plan which included the following trainings:

- face-to-face training of the Executive Committee by a specialist speaker on 17 March 2023;
- face-to-face training for Country Managers on 19 April 2023;
- face-to-face training for employees of entities that have re-executed the corruption risk mapping exercise;
- training of all employees by the entity's Ethics Champion; and
- training of Ethics Champions, including the creation of the first Ethics Champions seminar for the EMEA region.

> **The Exclusive Networks group has set a goal for 100% of employees to have certified the Code of Conduct by 2025[1].**

Key monitoring indicators		2022	2023
Employee training on ethics and anti-corruption	Number of training sessions	45	108
	Number of onboarding sessions[1] conducted with internal control	13	10
	Number of Ethics Champions training courses	1	1
	Proportion of employees who have certified the Code of Conduct[2] *	76%	79%

*   Indicator with a target for 2025.

(1) Onboarding: processus d'int.gration de nouveaux Directeurs financiers ou Responsable Pays (Country Managers).

(2) Employees who left the Group during the period may have been counted as not having certified the Code of Conduct or the whistleblowing procedure.

Whistleblowing system

In accordance with the whistleblowing procedure, employees are invited to report to the Group facts that may constitute conduct that contravenes the principles of the Code of Conduct, in particular in cases of corruption. To this end, the Exclusive Networks group has set up an alert system in all the countries where it operates, allowing each employee and external collaborator to send a report in a confidential and secure manner, accessible from the websites.

This system complements the other reporting channels within each Group company, such as the line manager, the Human Resources Department, the Legal Department, etc.

All reported alerts are treated confidentially under the supervision of the Group's Ethics Officer, ensuring the principle of no sanction or retaliatory measure for any person who issues an alert in good faith. This principle is guaranteed by the Group and reaffirmed in the whistleblowing procedure.

Key monitoring indicators		2022	2023
Establish a procedure and a system for collecting and processing whistleblowing, allowing employees and third parties to report situations that are contrary to the Code of Conduct, or that may constitute a crime, an offence or a threat to the public interest	Proportion of employees certified[1] to the whistleblowing procedure[2]	62%	76%
	Number of alerts received via the alert receiving platform	4	4
	Number of admissible alerts	3	3

(1) Certified: Refers to employees who have acknowledged receipt of the procedure and have successfully passed the comprehension test.

(2) Employees who left the Group during the period may have been counted as not having certified the Code of Conduct or the whistleblowing procedure.

All alerts are of internal origin, with no alerts from an external stakeholder identified in 2023.

Managing the compliance programme

Audits are regularly conducted jointly by the Group's internal audit department. They carry out tests and interviews to identify risky practices or any deviations observed as well as corrective actions to be taken.

> **The Exclusive Networks group has set itself the objective of having all countries subject to an audit including an anti-corruption component at least every 5 years, with the net margin of the entities covered by the audit plan representing 30% of the Group's net margin.**

Key monitoring indicators		2022	2023
Monitoring, follow-up and evaluation of the implementation of the Group's compliance programme	Number of entities covered by an audit with an anti-corruption component	14	13
	Number of proven cases of identified corruption	0	0
	Number of employees dismissed or disciplined for corruption	0	0
	Number of convictions for corruption against the Exclusive Networks group, or one of its subsidiaries	0	0

8.3 Transparency and the fight against tax evasion

Organisation of the tax function

The Exclusive Networks group's tax department is organised around a central team, integrated into the Group's Finance Department, which relies on local finance teams and external advisors to ensure that the Group pays taxes due in the jurisdictions in which it operates and that risks are identified, assessed and controlled.

The tax department's mission is to ensure compliance with applicable local and international tax laws and regulations, to minimise tax exposure by managing tax risk, to limit double taxation and to benefit from the tax incentives or concessions to which the Group is entitled.

Compliance, Transparency and Fiscal Accountability

The Exclusive Networks group has offices in 47 countries. Due to the global and cross-border nature of its distribution business and the complexity of the international tax environment, the Group faces uncertainties and tax risks inherent in its business.

This is due to the multiplicity and complexity of tax regulations, both local and international (including transfer pricing rules and principles governing the application of withholding taxes), and their interpretation in each country.

In this global and complex environment, the Exclusive Networks group aims to comply with all applicable tax rules and regulations in the countries where it operates, ensuring that the right amount of tax is paid in the jurisdictions where it generates profits and value. As such, Exclusive Networks is committed to complying with local and international rules, including the "OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations". Exclusive Networks handles tax-related matters with integrity and does not engage in any artificial tax schemes.

In addition, each of the Group's locations abroad aims to expand the Group's activities by ensuring a local presence when operational and commercial needs require it.

8.4 Export Controls

As an international Company and taking into account the nature of the goods and services it markets (see Chapter 2 of the 2023 Universal Registration Document), the Exclusive Networks group implements all necessary measures to comply with applicable laws and regulations relating to:

- export controls on Dual-use goods and technology; and

- trade restriction measures against certain countries subject to sanctions or embargoes, decided by the United Nations Security Council, the United States via OFAC (Office of Foreign Assets Control), or the European Union in the context of foreign and security policy decisions (CFSP).

Given the nature of the products and solutions on the market, which are considered Dual-use because they incorporate encryption technology, the cybersecurity sector is sensitive and subject to these regulations and controls.

The Exclusive Networks group operates globally in compliance with these laws, which are often extra-territorial in scope, cumulative, and regularly evolving. Their objectives are to preserve global geopolitical balances, international, national or regional security,

and to combat the diversion and proliferation of certain materials. Export control compliance is therefore an important issue for the Group.

The Group applies these control regimes in all the countries in which it operates, and more specifically:

- in the European Union, in accordance with EU regulation No. 821/2021 of 20 May 2021 establishing the Union regime for the control of exports, brokering, technical assistance, transit and transfer of Dual-use items;

- in the United States, in accordance with the AEOI – Export Control regulations 15 CFR § 730 *et seq.*; and

- in Singapore or the United Kingdom, in accordance with applicable local regulations.

Since the export or re-export of certain equipment is subject to the prior obtaining of an export licence or an exemption granted by the authorities of the exporting countries, the Group is informed at all times by suppliers of restrictions on the goods and services supplied. To do this, they have a dedicated organisation, which allows them to exercise strict control over their manufacturing and sales processes, in order to comply with these same obligations.

Export Control Organisation in the Exclusive Networks group

To meet these challenges in a context of strong international expansion, the Group has maintained its organisation as represented below. In addition, the Internal Compliance Programme (ICP) is applied and is continuously adapted to reduce and control these risks.
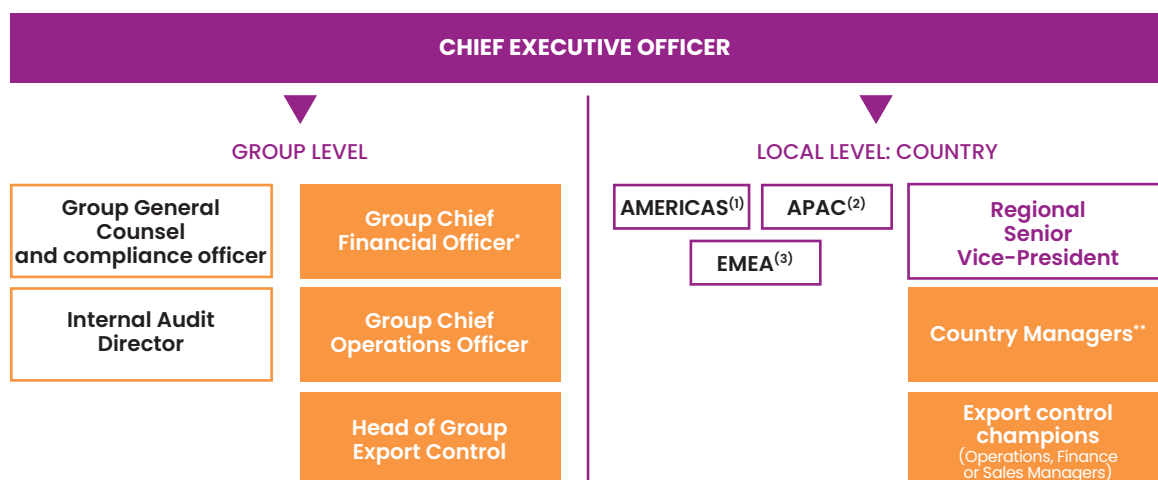
■ *Function in charge of export control reporting to the Chief Executive Officer.*
□ *Other stakeholders in the Group export control organisation.*
* *Function with legal responsibility for export control by delegation from the Chief Executive Officer.*
** *Function with legal responsibility for export control of local entity.*

Local operational entities:
(1) **AMERICAS:** *Canada, USA.*
(2) **APAC:** *Australia, Hong Kong, India, Indonesia, Malaysia, New Zealand & Pacific Islands, Philippines, Singapore, Thailand, Vietnam.*
(3) **EMEA:** *Austria, Belgium, Bosnia, Bulgaria, Croatia, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Israel, Italy, Kenya, Mauritius, Norway.*

The first line of risk management is made up of the Country Managers and Export Control Champions of the Group's main subsidiaries. The second line of risk control is provided by the Group Export Control Manager, who defines the export control strategy and associated procedures, and ensures regulatory monitoring, which is particularly critical given the geopolitical situation and the speed with which sanctions regimes are evolving.

The Internal Compliance Programme:

- is the bible of procedures to be followed by the Group and its subsidiaries to comply with regulations, such as the procedure for drawing up the declaration of final destination and end use;

- incorporates training components;

- refers to other internal procedures of the Group, such as the third-party screening system (Refer to the chapter 2 of the 2023 Universal Registration Document - Risk Factors - Screening through "My TrustedPartner" platform).

In addition, the Group regularly conducts audits, either by the internal audit Department or by independent firms.

In 2023, the major actions evolved following the arrival of the Export Control Group Manager and the main improvement actions undertaken consisted of:

- updating the Group's Export Control policy (certification rate of 96% of the Group's employees, including its subsidiaries);

- process review (know your end-user, resellers, etc.);

- the strengthening of coordination between the Export Control Champions with the implementation of regular communications and the coordination of the Export Control Champions network, its training and the systematic implementation of an export control clause in the Group's distribution and sales contracts; and

- the review of key export control points in coordination with the Group's internal control Department.

Prospects:

The 2024 improvement actions identified will focus on the IT tool for screening end-users, the deployment of training modules available on the Group's e-learning platform and the update of the Internal Compliance Programme.

9   Methodological note

Feedback was organised at the end of the previous 2022 financial year in order to identify areas for improvement, with a view to simplifying and making data collection more reliable, and to extend the number of countries taken into account for the 2023 Non-Financial Performance Statement.

In addition, the Group has mobilised the necessary resources to make the data more reliable and to prepare for the new reporting requirements resulting from the Corporate Sustainability reporting Directive (CSRD) by publishing certain indicators now required by the CSRD and by introducing the notion of double materiality.

9.1   Scope of consolidation

The scope of the Non-Financial Performance Statement for the 2023 financial year is 27 countries (four additional countries compared to the 2022 financial year identified in the list below with an (*), covering all the companies controlled by the Group in each of these countries (Australia, Austria, Belgium, Canada, Czech Republic, Spain, Ireland, Turkey(*), India(*), Thailand(*), South Africa(*), Croatia, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Poland, Romania, Singapore, Sweden, Switzerland, United Arab Emirates, United States (United Kingdom). The two companies newly acquired by the Group in 2023 in Spain and Ireland are not included in the scope of consolidation used for this statement.

These 27 countries account for more than 90% of the Group's consolidated revenue and more than 83% of the total workforce. The scope of consolidation shall be consistent for all the information published in the report, with the exception of certain data relating to the full scope of consolidation for reasons of consistency with the figures published in the Management report, in which case this difference shall be reported.

9.2   Preparation and compilation of this Statement of non-financial performance

This Non-Financial Performance Statement aims to comply with Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code, while preparing for the publication of a sustainability report in accordance with CSRD standards for the 2024 financial year.

Preparation follows a defined schedule, shared with key contributors, to allow for verification of information by the independent third-party body within the specified time frame. The data is stored and historicised, allowing consistency checks to be carried out and the results obtained to be put into perspective.

Where possible, the indicators and information in this report are prepared in accordance with the Guidelines of the Global reporting Institute (GRI), the Sustainability Accounting Standards Board (SASB), the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals (UNSDGs) according to the most recent versions of the standards available as of 30 January 2024.

Information deemed non-material within the meaning of Article L. 225-102-1 of the French Commercial Code

- Fight against food waste;
- Fight against food insecurity;

- Respect for animal welfare;
- Respect for responsible, fair and sustainable food;
- Actions to promote the nation-military link and support engagement in the reserves;
- Promotion of the practice of physical activities and sports; and
- Measures taken in favour of persons with disabilities.

Social Data Information

With regard to the social data published in this statement, the following should be specified:

- average annual headcount and other figures presented in the social section: all persons paid during the year 2023 in the 27 consolidated countries are taken into account, regardless of their employment contract (fixed-term or open-ended, apprentices and trainees). On the other hand, temporary workers and service providers are not taken into account;
- data on HSE (health, safety and environment), collective agreements, leave and absences are collected via forms sent to the 27 countries concerned by the scope of consolidation;

- the other data is collected from extracts from the PeopleHR Human Resources Information System, then consolidated using PowerBI. The average headcount is calculated from the average of each month with the help of mapping tables;

- health and safety: accidents that have resulted in a work stoppage of at least one day are taken into account for the calculation of the frequency and severity rates; and

- training: All categories of training are taken into account. They can be technical or regulatory, relate to adaptation to the workplace or have the objective of developing employees' skills.

Environmental Data Information

Information on environmental data may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used. Certain information is subject to the methodological choices, assumptions and/or estimates used for its preparation and set out below:

With regard to the environmental data published in this statement, the following should be specified:

- all data published in the environmental section comply with the GHG Protocol Corporate Standard 2015;

- some missing data for Scopes 1 and 2 have been extrapolated, representing less than 5% of the subtotal;

- improvements to the methodology for calculating Scope 3 emissions have been made in the following categories:

  - 3-7, Commuting: a detailed questionnaire was sent to all employees to assess the overall carbon footprint following commuting of all employees, the response rate of 25% and an extrapolation to the rest reduced uncertainty on this category compared to last year,

  - 3-11, Use of products sold: from the sales list of all products, the best-selling product was selected on the basis of the revenues generated, then from the technical characteristics and using the formula of the GHG Protocol-Cat.11, considering a recommended period of use of 3 years, the calculation of the emissions of the best-selling product is made, an extrapolation was made to deduct the rest of the emissions on the basis of % sales,

  - as far as possible, a precise calculation method is used, where appropriate an extrapolation has been made on the basis of the available information. This is the method used for transport. A coefficient of +15% (corresponding to the growth in sales compared to the previous year) was applied to the quantity of emissions from the previous year;

- the Exclusive Networks group includes in the accounting of its greenhouse gas emissions the environmental footprint of all vehicles used in its activities, which are mainly leased;

- In the absence of inventory, the mass of materials purchased from suppliers, which is nearly 1,500 tons of electronic equipment, is considered equivalent to that of the products sold to customers.

GHG accounting:

- the following greenhouse gases were taken into account, converted into metric tonnes of CO2 equivalent (or tCO_2eq) according to their Global Warming Potential: CO_2, CH_4, N_2O, HFC, SF_6, PFC, NF_3 and CFCs;

- the calculation of the Group's carbon footprint was carried out with the ADEME-Association Bilan Carbone (ABC) calculation tool in its version 8.8 of October 2022, following the rules of the GHG Protocol and with a level of uncertainty for each item. This tool allows you to display results in several standard formats, including that of the GHG Protocol; and

- the emission factors are taken from the ADEME database, unless otherwise stated.

Type of the data collected:

- energy used in buildings, i.e. electricity, gas and fuel oil: based on invoices;

- vehicle fleets: fuel consumed (petrol or diesel), based on invoices or estimates;

- purchase and marketing of equipment: mass of equipment multiplied by a representative electronic equipment emission factor;

- upstream and downstream transport: extraction of bulk data, distances travelled and transport methods from logistics providers, and application of an emission factor per transport modality (air or road);

- business travel: data extracted from travel providers, extrapolated to the organisational scope;

- waste produced on sites: estimation of the mass of tertiary waste per employee per year based on the "Ecoresponsable au bureau" guide, ADEME September 2022;

- use of products sold: estimate of the average electricity consumption of a typical piece of equipment over a period of 3 years, multiplied by the electricity emission factor of the country of sale; and

- end-of-life of the products sold: mass of equipment sold multiplied by the emission factor of electronic waste from the ADEME database.

9.3 Correspondence table with Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code

Themes	Sections of the present report
Business model	1
Information on how the Company takes into account the social and environmental consequences of its activity	2, 3
Results of the policies applied by the Company, including key performance indicators	2 Interaction between sustainability strategy and model business
Social Information Working conditions Fight against discrimination and promotion of diversity	7
Environmental Information General environmental policy Climate change Circular economy	6
Societal information Societal commitments to sustainable development	2
Anti-corruption information	8.2
Information on human rights activities	7.6
Information on the fight against tax evasion	8.3
Collective agreements concluded in the Company and their impact on the economic performance of the Company as well as on the working conditions of employees	7.3
Attestation from the independent third-party body on the information contained in the NFPS	10

9.4 GRI correspondance table and alignment with SDGs

Statement of use	Exclusive Networks has reported the information cited in this GRI content index for the period from January 1, 2023, to December 31, 2023 with reference to the GRI Standards.. [GRI 2-3]
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	SDGs
GRI 2: General Disclosures 2021	2-1 Organizational details	URD- Chapter 1: Presentation of the Group: activities and strategy	
	2-2 Entities included in the organization's sustainability reporting	9.1 Scope of consolidation	
	2-3 Reporting period, frequency and contact point	Statement of use above- contact us at: esg@exclusive-netowrks.com	
	2-4 Restatements of information	There are no restatements.	
	2-5 External assurance	10 Opinion of an independant third party	
	2-6 Activities, value chain and other business relationships	1 Business model	
	2-7 Employees	7.1 Company workforce	5.1, 5.5, 8.5, 10.2, 10.3, 10, 4
	2-9 Governance structure and composition	URD- Section 4.1: Governance Structure	
	2-10 Nomination and selection of the highest governance body		
	2-11 Chair of the highest governance body		
	2-12 Role of the highest governance body in overseeing the management of impacts	3.Sustainability Governance Framework	
	2-13 Delegation of responsibility for managing impacts		
	2-14 Role of the highest governance body in sustainability reporting		
	2-15 Conflicts of interest	8.2 Ethics, prevention and fight against corruption / Whistleblowing system URD-Chapter 4.2.6 Conflicts of interest	16
	2-16 Communication of critical concerns	8.2 Ethics, prevention and fight against corruption / Whistleblowing system	16
	2-17 Collective knowledge of the highest governance body	8.1 Compliance Governance & Organization	
	2-18 Evaluation of the performance of the highest governance body		
	2-19 Remuneration policies	7.4 Ensuring fair and attractive remuneration and benefits	
	2-20 Process to determine remuneration	URD- 4.3 Compensation and benefits	
	2-21 Annual total compensation ratio		
	2-22 Statement on sustainable development strategy	2 Sustainability Strategy 2024-2030	
	2-23 Policy commitments	7.6 Human and labour rights commitments	

Methodological note

GRI correspondance table and alignment with SDGs

GRI STANDARD	DISCLOSURE	LOCATION	SDGs
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Policies + 8.1 Compliance Governance & Organization	
	2-25 Processes to remediate negative impacts	8.3 Ethics, prevention and fight against corruption	
	2-26 Mechanisms for seeking advice and raising concerns	8.2 Ethics, prevention and fight against corruption / Whistleblowing system	16
	2-27 Compliance with laws and regulations	8.1 Compliance Governance & Organization	
	2-28 Membership associations	N/A	16
	2-29 Approach to stakeholder engagement	4 Analysis of material impacts, Risks and Opportunities related to ESG issues	
	2-30 Collective bargaining agreements	7.3 Social Dialogue and Engagement	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	4 Analysis of material impacts, Risks and Opportunities related to ESG issues/ Selec	7.2, 7.3, 7.a, 13.1, 13.2, 16
	3-2 List of material topics		
	3-3 Management of material topics		
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	2 Sustainability Strategy 2024-2030/ Cybersecurity at the service of Sustainability	16
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	8.2 Ethics, prevention and fight against corruption	16
	205-2 Communication and training about anti-corruption policies and procedures		16
GRI 302: Energy 2016	302-1 Energy consumption within the organization	6.3 Climate Change / Energy Consumption	7.2, 7.3, 7.a, 13.1, 13.2
	302-3 Energy intensity		13.1, 13.2
	302-4 Reduction of energy consumption		13.1, 13.2
	302-5 Reductions in energy requirements of products and services		7.2, 7.3, 7.a, 13.1, 13.2
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	6.3 Climate Change/ Carbon Footprint	13.1, 13.2
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity		
	305-5 Reduction of GHG emissions		
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	6.4 Resource Use and Circular Economy	12
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	7.1 Company Workforce	5.1, 5.5, 8.5, 10.2, 10.3, 10.4

GRI STANDARD	DISCLOSURE	LOCATION	SDGs
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		
	404-2 Programmes for upgrading employee skills and transition assistance programmes		
	404-3 Percentage of employees receiving regular performance and career development reviews	7.5.2 Developping employees' skills	4.3, 4.4, 4.5
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		
	405-2 Ratio of basic salary and remuneration of women to men	7.7 Diversity, Equity and Inclusion	5.1, 5.5, 8.5
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	(Chapter 2. Risks Factors) Screening through "My TrustedPartner" plateform	16

9.5   SASB correspondance table

Le tableau suivant établit une correspondance entre nos informations à fournir et les indicateurs du SASB dans les services logiciels et informatiques et les normes matérielles.

Topic	Accounting metric(s)	SASB code	Reference/disclosure
Environmental footprint of hardware infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	Not Applicable. Exclusive Networks is a Value Added Distributor and does not own any data centers.
Data privacy & freedom of expression	Description of policies relating to behavioral advertising and user privacy	TC-SI-220a.1	7.9.3 Data protection
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	Not Applicable
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	None
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5	Our vendors' products and services are not allowed for export to Cuba, Iran, North Korea, and the Crimea, Donetsk, and Luhansk egions of Ukraine.
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	TC-SI-230a.1	During Fiscal 2023, Exclusive Networks did not experience any material data breach that required disclosure.
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	7.9.1 Governance and organization of information systems security
Recruiting & managing a global, diverse & skilled workforce	Employee engagement as a percentage	TC-SI-330a.2	71%
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-SI-330a.3	7.7 Diversity, Equity and Inclusion
Managing systemic risks from technology disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	Not Currently Reported
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	2.1.2 Risks related to operations of URD 2023

10   Opinion of the independent notified body

Financial year ending 31 December 2023

To shareholders,

Following the request made to us by EXCLUSIVE NETWORKS SA (hereafter "entity") and in our capacity as an independent third party company ("third party"), accredited by COFRAC under number 3-2013 (Accréditation Cofrac Inspection, scope available on www.cofrac.fr) , we have carried out work designed to provide a reasoned opinion expressing a conclusion of moderate assurance on the historical information (observed or extrapolated) of the non-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Reporting Criteria"), for the year ended 31 December 2023 (hereinafter the "Information" and the "Statement" respectively), presented 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 performed, as described in the "*Nature and scope of our work*" section, and on the information we have obtained, nothing has come to our attention that causes us to believe that the consolidated statement of non-financial performance is not prepared, in all material respects, in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is presented fairly in accordance with the Reporting Criteria.

Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment: The scope of consolidation used for the Extra-Financial Performance Declaration is presented in section 9.1. - Scope of consolidation. It covers 27 countries, representing 90% of the Group's consolidated sales and 83% of the total workforce.

Preparation of the declaration of non-financial performance

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of Information means that different, but acceptable, measurement techniques may be used, which may affect comparability between entities and over time.

Consequently, the Information must be read and understood with reference to the Frame of Reference whose significant elements are presented in the Declaration.

Limits inherent in the preparation of information

As indicated in the Declaration in Chapter 9.2 - Methodological information on indicators, the Information relating to environmental data may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Some information is sensitive to the methodological choices, assumptions and/or estimates used to establish it and presented in the Declaration.

Responsibility of the entity

The Board of Directors is responsible for

- select or establish appropriate criteria for the preparation of Information;

- draw up a Declaration in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and, in addition, the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);

- and to implement such internal control procedures as it determines are necessary to enable the preparation of information that is free from material misstatement, whether due to fraud or error.

The Declaration has been drawn up by applying the Group's Reference Document as mentioned above.

Responsibility of the independent third-party body

It is our responsibility, on the basis of our work, to formulate a reasoned opinion expressing a conclusion of moderate assurance on:

- the compliance of the Declaration with the provisions of Article R. 225-105 of the French Commercial Code;

- the fairness of the historical information (recorded or extrapolated) provided in accordance with 3° of I and II of article R. 225-105 of the French Commercial Code, i.e. the results of policies, including key performance indicators, and actions relating to the main risks.

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

It is not our role to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);

- the accuracy of the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);

- compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional doctrine

We conducted the work described below in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, the professional standards issued by the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this work in lieu of an audit programme, and international standard 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 Ethics of the profession of statutory auditor. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical rules and the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this activity.

Means and resources

Our work involved the skills of 2 auditors and took place between 15 January 2024 and 28 February for a total duration of 2 weeks.

We called on our specialists in sustainable development and corporate social responsibility. We conducted 9 interviews with the people responsible for preparing the Declaration, representing in particular the General Management, Administration and Finance, Risk Management, Compliance, Human Resources and Environment Departments.

Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

We believe that the procedures we have performed in the exercise of our professional judgment enable us to provide a moderate level of assurance:

- we have reviewed the activities of all the entities included in the scope of consolidation and the description of the principal risks;

- we have assessed the appropriateness of the Standards in terms of their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, good industry practice;

- we have verified that the Declaration covers each category of information provided for in III of Article L. 225-102-1 relating to social and environmental matters;

- we have verified that the Declaration presents the information required by II of Article R. 225-105 when it is relevant to the principal risks and includes, where appropriate, an explanation of the reasons for the absence of the information required by paragraph 2 of III of Article L. 225-102-1;

- we have verified that the Declaration presents the business model and a description of the principal risks associated with the activity of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as the policies, actions and results, including key performance indicators relating to the principal risks;

- we consulted documentary sources and conducted interviews to:

  - assess the process used to select and validate the main risks and the consistency of the results, including the key performance indicators selected, in relation to the main risks and policies presented, and

  - corroborate the qualitative information (actions and results) that we considered to be the most important, presented in Appendix 1. For certain risks, such as the fight against corruption, etc., our work was carried out at the level of the consolidating entity; for other risks, work was carried out at the level of the consolidating entity and in a selection of entities;

- We have verified that the Declaration covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16, with the limits specified in the Declaration;

- we familiarised ourselves with the internal control and risk management procedures implemented by the entity and assessed the data collection process aimed at ensuring the completeness and accuracy of the information;

- for the key performance indicators and other quantitative results that we considered to be the most important are presented in Appendix 1,

- we have implemented:

  - analytical procedures to check that the data collected has been properly consolidated and that trends are consistent;

  - tests of detail on the basis of sampling or other means of selection, consisting of verifying the correct application of definitions and procedures and reconciling data with supporting documents. This work was carried out on a selection of contributing entities[1] and covers more than 30% of the consolidated data selected for these tests;

- we assessed the overall consistency of the Declaration in relation to our knowledge of all the entities included in the scope of consolidation.

The procedures performed as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes; a higher level of assurance would have required more extensive verification work.

Lyon, 28 February 2024

FINEXFI

Isabelle Lhoste

Partner

APPENDIX 1

- Business model
- Code of Conduct
- Governance structure Sustainability
- Main risks and opportunities
- Review of the following social information
- Average total workforce
  - breakdown of workforce by geographic area
  - age pyramid,
  - breakdown of workforce by generation
  - genre
  - geographical area
- Recruitment by generation and gender
- Reason for leaving
- Environmental footprint
- Energy consumption - scopes 1 and 2
- Carbon footprint
- Breakdown of CO_2 emissions by scope

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1 Exclusive Networks SA, Exclusive Networks France SA, Exclusive Holding, Exclusive on demand.

EXCLUSIVE
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