

UNIVERSAL REGISTRATION DOCUMENT

► 2023

INCLUDING THE ANNUAL
FINANCIAL REPORT

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UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

2023

Guerbet | 

Limited company with a board
of directors (*Société Anonyme
à Conseil d'administration*)
with a capital of 12,641,115 €

HEAD OFFICE

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93420 Villepinte
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This Universal Registration Document was filed on April 2, 2024 with the AMF in its capacity as the competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

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

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following documents are included by reference in this Universal Registration Document:

- the consolidated financial statements for the fiscal year ended December 31, 2022, as well as the related report of the Statutory Auditors, contained in sections 6.1 and 6.2 of the Registration Document filed with the AMF on March 31, 2023, under number D.23-0203 (https://www.guerbet.com/media/d51bo5wm/guerbet_urd-uk_2022.pdf);
- the consolidated financial statements for the fiscal year ended December 31, 2021, as well as the related report of the Statutory Auditors, contained in sections 6.1 and 6.2 of the Registration Document filed with the AMF on April 5, 2022, under number D.22-0242 (https://www.guerbet.com/media/kfxb24ro/guerbet_dev-uk_hd_interactif.pdf);

This Universal Registration Document, including the Annual Financial Report, is a reproduction of the official version prepared in ESEF format and available at <https://www.guerbet.com>.

GUERBET, OUR CORPORATE PURPOSE

Guerbet is a French healthcare company that has been supporting healthcare professionals specialized in Diagnostic and Interventional Medical Imaging since 1926. Guerbet develops and markets contrast media, delivery systems, medical devices, and related solutions adapted to their needs.



OUR MISSION

Guerbet's employees are committed to providing healthcare professionals with the contrast media and innovative solutions that are vital for Diagnostic and Interventional Imaging to improve patient prognosis and quality of life. Driven by passion for their work, every day they strive to combine performance, quality, and sustainable development.



OUR VALUES

CARE

Respect everyone in Guerbet's ecosystem and its environment.

INNOVATE

Be a source of new thinking to improve Guerbet's performance.

COOPERATE

Cooperate with others and venture beyond our comfort zone for collective success.

ACHIEVE

Achieve our objectives and ensure the satisfaction of our partners.

“ One of the highlights of 2023 was the launch of our new MRI product: Elucirem™. ”

DAVID HALE,
CHIEF EXECUTIVE OFFICER



**2023 was an eventful year for Guerbet.
What do you think was the main theme?**

I'd say that 2023 was all about innovation. Two events in particular embodied this theme and aroused a great sense of pride among our teams. First, we launched our breakthrough MRI innovation, Elucirem™, on the US market in March 2023. That was a high point for our company. Guerbet is nearly a century old, dating back to Marcel Guerbet's discovery of Lipiodol® at the beginning of the last century. That's why Guerbet has such a close tie to medical innovation. The year also ended on a high note for Elucirem™. The Marketing Authorization (MA) for the European Union was issued on December 11.

Guerbet also won a major award in artificial intelligence. In July, our prostate cancer detection algorithm won the "PI-CAI" challenge. It was based on more than 10,000 MRI examinations and led by a large international consortium of physicians and AI experts. This was a great achievement for our Group. We allocate substantial resources to R&D (around 9% of revenue each year) to contribute to medical progress and remain true to our corporate purpose: to build lasting relationships to help people live better.

**Are you satisfied with the Elucirem™ debut
in the United States?**

The launch was an industrial success. The commercial release of Elucirem™ took place in March 2023, less than six months after the FDA issued the marketing authorization. In this very short time, we managed to adapt the production lines at our Marans and Lanester plants in France, where the product's active ingredient, gadopichlenol, is manufactured. The Raleigh (North Carolina) plant, which handles packaging, also adapted quickly. The response from healthcare professionals has been very positive. Elucirem™ provides a major benefit in their day-to-day practice by allowing them to reduce their patients' exposure to gadolinium, which requires half the dosage compared with conventional products. They've also been impressed by the clinical image quality and contrast power (relaxivity), especially oncologists. This promising start means that we can confidently prepare for the launch of Elucirem™ in several European countries this year.

Another highlight of the 2023 fiscal year was Guerbet's acquisition of a majority stake in Intrasure. Can you tell us more about that deal and your ambitions in artificial intelligence?

With Intrasure, we found the right partner at the right time. The end of our collaboration with Merative in October 2022 gave us free rein to roll out our AI strategy by leveraging the algorithms developed in recent years. Guerbet has retained full intellectual property rights to them. Through the two-stage acquisition of what is now a majority stake (56.5%), our merger with Intrasure led to the signing of a non-exclusive license agreement between us last June. This agreement marks the first step in an alliance aimed at building a major player in AI applied to oncological imaging. In the short term, it will enable all the algorithms in Guerbet's AI portfolio to be marketed for liver and bone lesions as well as pancreatic and prostate cancers. They'll be integrated into Intrasure's software solutions in its Myrian® platform and a new oncology product line launched this year.

Your expansion in Asia has been particularly fast in recent years. Will this growth continue?

Asia is a key territory for market penetration. It has indeed been a growth driver for Guerbet, and we expect that to continue in the medium term. Over the past five years, we shifted our model in Asia towards direct distribution: first in Japan, then India, and then China. China is one of the world's leading diagnostic imaging markets. The switch to direct distribution in 2022 has been exceptionally successful and beneficial for nearly all of the Group's products. Our sales in China have doubled since 2021 (at constant exchange rates)! In Japan, our sales doubled in three years following our "Go-Direct" initiative at the end of 2018. With the upcoming roll-out of this model in other Asian countries and the outlook for the Chinese market, we're very confident about our performance in Asia. Our medium-term growth target there is 50%.

Guerbet adopted a major environmental strategy in 2022. Where have you seen the most progress? What are your priorities for 2024?

Our environmental commitments are now as much a part of our long-term strategy as our long-standing mission to serve patients around the world. All our operations – from raw materials sourcing to product production to customer delivery – contribute to our carbon trajectory. This trajectory

is based on a significant reduction in our direct (-27.5% on a 2021 basis) and indirect (-13.75%) emissions by 2032.

For example, we now recycle 4,500 metric tons of solvents in Dublin and more than 200 metric tons of iodine in Lanester on site every year. In 2024, we're going to step up our external recycling. For instance, we've started up a customer iodine recycling project for the manufacture of polyamides such as nylon. Guerbet is also a partner and sponsor of the MeGadoRe project for the recovery of unused gadolinium from healthcare facilities for recycling. The aim is to create a "green MRI" network, first in France and then throughout Europe. We've taken several steps to control our energy consumption and limit our environmental impact, including opening a solar farm at our Dublin plant in December 2023.

What is the outlook for the overall Group in 2024?

Guerbet has been off to a good start this year. We expect significant growth in each of our business activities. In Diagnostic Imaging, a highlight of 2024 will be the commercial ramp-up of Elucirem™ in the United States, plus its launch in Europe, especially in France. In Interventional Imaging, we expect the strong momentum of Lipiodol® to continue. In addition to Guerbet's strong foothold in liver cancer treatment, we're seeing promising prospects in a number of other areas, including female fertility. In AI, we're about to reach a major milestone with the introduction of Guerbet's algorithms in the market thanks to Intrasure's solutions.

Given these developments, the overall environment is favorable. The contrast media market continues to be driven by structural growth associated with aging populations worldwide and rising healthcare spending in emerging countries. After a steady increase in our sales in 2023, we expect further growth in our business activity this year. We'll also see a rebound in our profitability in 2024, fueled by the evolution of our product mix (Elucirem™), the ongoing optimization of our cost structure, as well as the price increases passed on to our customers to compensate for inflation, mainly in iodine prices.

This promises to be another intense year for Guerbet's 2,920 employees. Their commitment and teamwork are key to our recent strategic acceleration. I'd like to commend our teams and thank them for their commitment to ensuring that Guerbet solutions benefit some 30 million patients worldwide every year.

GUERBET IN BRIEF

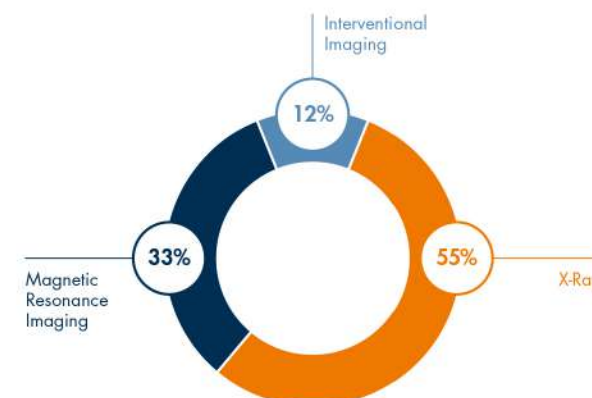
The Guerbet Group supports healthcare professionals specializing in “Diagnostic” and “Interventional” medical imaging. Guerbet develops and markets contrast media, delivery systems, medical devices, and digital solutions adapted to the needs of healthcare professionals.

2,920

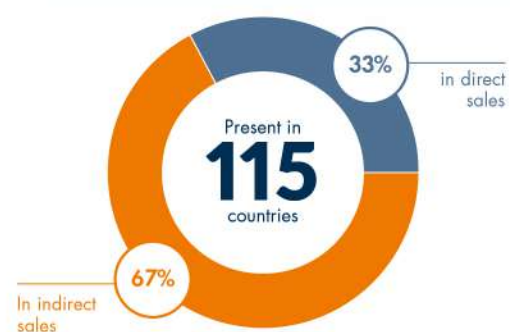
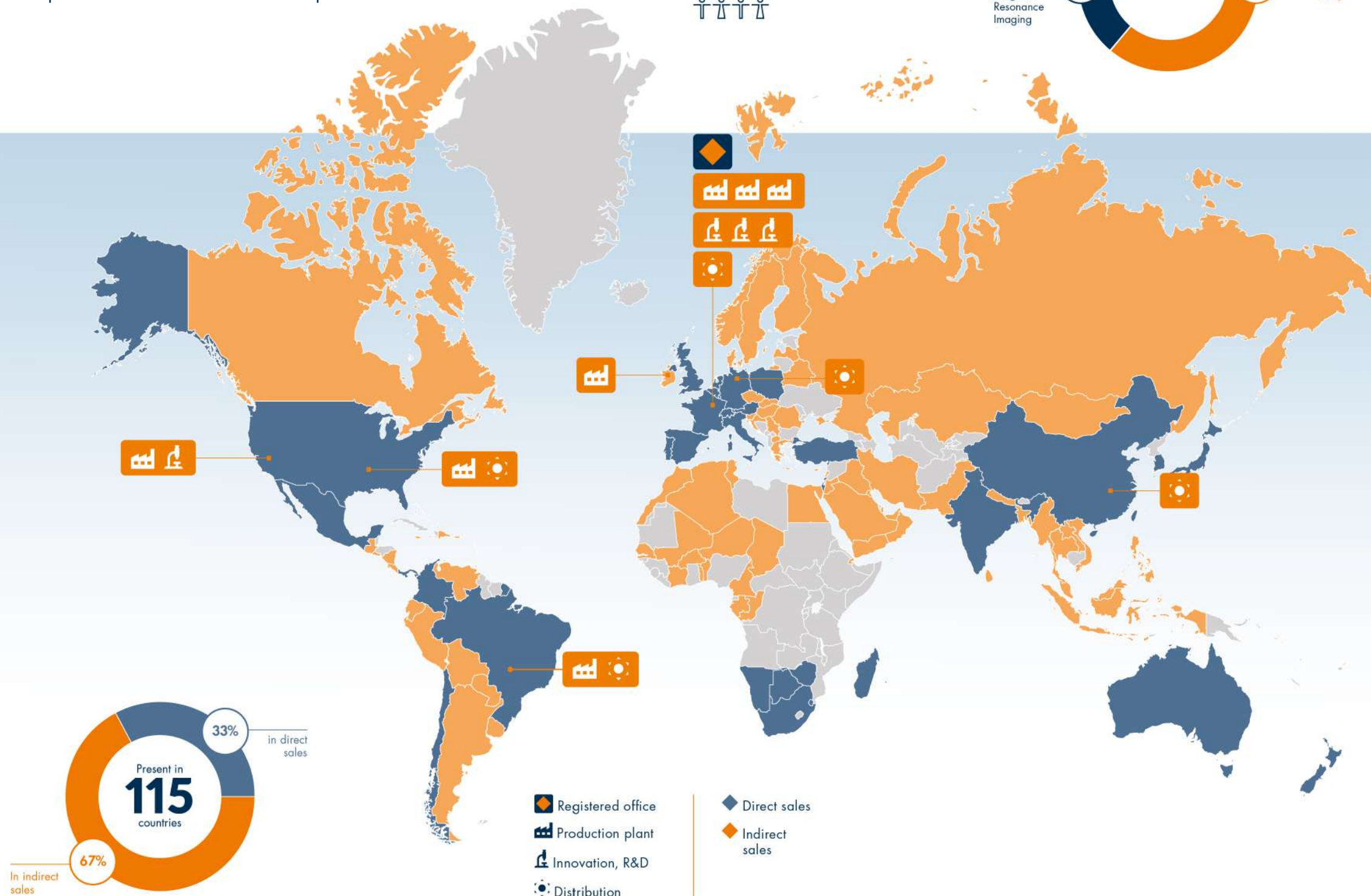
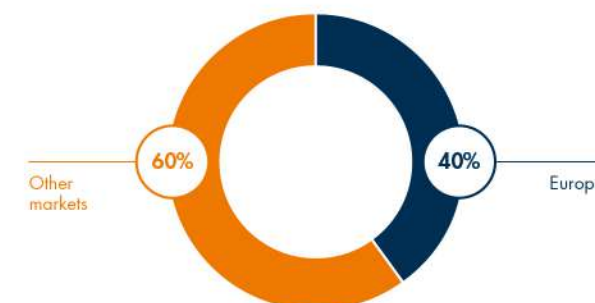
EMPLOYEES



BREAKDOWN OF REVENUE BY PRODUCT RANGE



BREAKDOWN OF REVENUE BY GEOGRAPHIC REGION



2023 REVENUE

€785.7 M

EARNING PER SHARE

€1.37

EBITDA

€98.8 M

OPERATING RESULT

€38.7 M

NET INCOME

€22.2 M

GROSS INVESTMENTS RESTATED FOR DEBTS ON FIXED ASSETS

€62.3 M



1 | THE GUERBET GROUP

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1.1 OUR BUSINESS MODEL

OUR MISSION

Guerbet's employees are committed to providing healthcare professionals with the contrast media and innovative solutions that are vital for Diagnostic and Interventional Imaging to improve patient prognosis and quality of life. Driven by passion for their work, every day they strive to combine performance, quality, and sustainable development.

OUR VALUES

Achieve

Achieve our objectives and ensure the satisfaction of our partners.

Cooperate

Cooperate with others and venture beyond our comfort zone for collective success.

Care

Respect everyone in Guerbet's ecosystem and its environment.

Innovate

Stimulate new thinking to improve Guerbet's performance.

Our strengths

A STABLE, LONG-TERM SHAREHOLDING STRUCTURE AND ROBUST GOVERNANCE

- 97+ years of expertise
- Breakdown of capital:
- 53.25% owned by the Guerbet family
- 3.66% owned by current employees, former employees, and mutual funds
- 12 Directors, including 2 representing the employees

INNOVATIVE FLAGSHIP PRODUCTS

- X-ray and MRI
- Medical devices
- Digital Solutions and Services
- Artificial Intelligence

A GLOBAL PRESENCE

- 2,920 employees worldwide
- Products marketed in more than 115 countries
- 8 production plants in Europe, North America and Latin America

AN OPERATIONAL EXCELLENCE PROGRAM

- Top priority given to the safety of people and the quality of products and services
- Optimization of natural resources and expert control of wastewater and waste treatment processes
- Reduction of carbon emissions
- HR policy for skills development, internal mobility, and talent management

SIGNIFICANT RESOURCES DEVOTED TO INNOVATION

- Five Innovation and R&D centers
- 10.5% of revenue
- Acceleration of digitization of products and services
- Scientific partnerships with public and private players worldwide for the development of contrast media and Artificial Intelligence

BUSINESS ETHICS

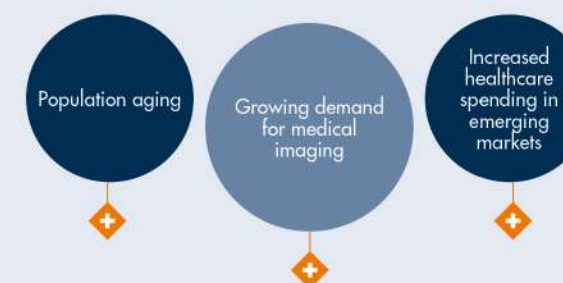
- Global ethics charter for all employees concerning stakeholders and healthcare professionals
- Anti-corruption program
- Responsible purchasing approach

Generating positive results for our stakeholders

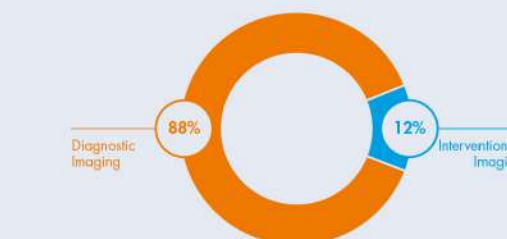


	DIAGNOSTIC IMAGING	INTERVENTIONAL IMAGING	DIGITAL & AI
KEY ATTRIBUTES	• Mature market with slow, lasting growth • High price sensitivity • Presence of generics	• High added value of products • High sensitivity to "functionalities" • Rapid market development	• Double-digit growth • Guerbet differentiator • Added value for customers
WHAT WE WILL DO	• Switch from a product offering to a comprehensive solution offering • Refine the portfolio • Actively control costs • Adapt our market introduction strategy	• Open up new markets • Expand indications • Inorganic strategy • Dedicated sales	• Strengthen our skills in IT and in the R&D, sale, and marketing of these products • Boost the commercial and operational excellence of services
	GENERATE resources to invest in growth areas	STIMULATE growth	CREATE an activity

GROWING GLOBAL DEMAND



BREAKDOWN OF REVENUE BY IMAGING



DIAGNOSTIC IMAGING	INTERVENTIONAL IMAGING
• Market developments – Mature market – Single-digit growth • Customer focus – Cost cutting – Productivity gains	• Market developments – Double-digit growth • Customer focus – Improved clinical results
MRI #2 globally	Contrast media Lipiodol® and Patent Blue V
X-ray #4 globally	Innovative medical devices including micro-catheters
Digital Services and Solutions	
Artificial Intelligence	

1 s

EVERY SECOND, SOMEWHERE IN THE WORLD, A PATIENT UNDERGOES AN IMAGING PROCEDURE USING A GUERBET PRODUCT

5.9%

INCREASE IN REVENUE ON A LIKE-FOR-LIKE BASIS AND AT CONSTANT EXCHANGE RATES

12.6%

EBITDA MARGIN

EFFECTIVE R&D

- More than **376 patents** granted or pending
- **21** industrial models

IMPROVED SAFETY RESULTS

- **60 %** lower incident rate (versus 2017 ^[a])

CLIMATE COMMITMENT

- Decision to commit to at least a **Well-below 2°C** trajectory by 2032
- **27.5%** scopes 1 & 2
- **3.5%** scope 3 between 2021 and 2032 regardless of activity



PATIENT IMPACTS

- Accurate diagnosis
- Personalized treatment
- Minimally invasive procedures



HEALTHCARE PROFESSIONALS

- Improved efficacy
- Greater intervention accuracy
- Innovative new devices addressing identified medical needs



SOCIETAL IMPACT

- A CSR commitment recognized outside the Group:
 - CDP climate & water level B
 - Gaia Index gold level
- Promote outpatient treatment to limit healthcare system spending
- Economic impact on the territories where Guerbet operates (direct and indirect jobs)
- Climate targets validated by the SBTi
- Measures to promote CSR with key suppliers
- "Guerbet Positive" volunteer program
- Commitment to young people's access to long-term employment and integration into the working world, especially for young people from priority neighborhoods

[a] 2017 is the reference year of our five-year HSE performance plan.

1.2 HISTORY OF THE COMPANY

Guerbet is a French healthcare company that has been supporting healthcare professionals specialized in Diagnostic and Interventional Medical Imaging since 1926. Guerbet develops and markets contrast media, delivery systems, medical devices, and related solutions adapted to their needs.

Today, the Guerbet Group sells a comprehensive range of products suitable for X-ray and magnetic resonance imaging (MRI).

Thanks to the products provided by the Group, images are used to guide radiologists when administering treatments, give insight into the functioning of organs, speed up diagnoses, assess the severity of an illness, and enable early validation of the efficacy of treatments.

The Guerbet Group recently developed a new activity based on digital technologies and Artificial Intelligence with two objectives: first, to improve the productivity of radiologists, e.g. with diagnostic assistance tools, and second, to obtain a tumor tissue characterization through imaging to better guide treatments or even eventually replace a biopsy.

The Guerbet Group's shares are traded on segment B of Euronext, and a majority of its shares are owned by the Guerbet family.

2023

ELUCIREM™

First sales of Elucirem™ in the United States.

Elucirem™ Marketing Authorization for the EU granted by the European Medicines Agency in December 2023.

INTRASENSE

Guerbet acquires a majority stake in Intrasure to become a major player in Artificial Intelligence for medical imaging.

1926

FOUNDING OF LABORATOIRE ANDRÉ GUERBET

At the age of 25, André Guerbet, son of Marcel Guerbet, becomes its general manager. He opens a chemical and pharmaceutical manufacturing plant in Saint-Ouen.



1986

GUERBET IS LISTED ON THE PARIS STOCK EXCHANGE

1995

XENETIX®, A NEW PRODUCT FOR X-RAYS



2015

ACQUISITION OF MALLINCKRODT'S "CONTRAST AGENTS AND DELIVERY SYSTEMS" ACTIVITY

Guerbet takes on a new international dimension and expands its product portfolio. The workforce increases from 1,500 to more than 2,500 employees.

2019

DIGITAL

Partnership with InterSystems for Contrast&Care®.

2021

GADOPICLENOL

Guerbet is pursuing the development of gadopiclemol with the announcement of positive results from two phase III studies comparing the diagnostic efficacy and safety of this product.

Guerbet and Bracco Imaging announce a global strategic collaboration agreement for manufacturing and research and development of future indications.

1901

DISCOVERY OF LIPIODOL® BY MARCEL GUERBET (1861-1938) LIPIODOL®, THE FIRST IODINATED CONTRAST AGENT

The international scientific community contributes to the success of Lipiodol®: it is used as a therapeutic product (in the form of sugar-coated pills, capsules, slabs of chocolate, etc.) and as a contrast medium for diagnostic purposes to make cavities like the lungs opaque.

1980

LIPIODOL® IN INTERVENTIONAL IMAGING

The first chemoembolizations are performed in Japan with Lipiodol® to treat hepatocellular carcinoma patients.



1989

DOTAREM® IS LAUNCHED IN FRANCE

Dotarem® is the only macrocyclic and ionic contrast medium.



2002 et 2005

OPTISTAR® ELITE, OPTIVANTAGE® AND ANGIOMAT ILLUMENA

These three injectors by Mallinckrodt are marketed by Guerbet in France, Belgium, and Switzerland.



2017

VECTORIO® AND CONTRAST&CARE®

Launches of Vectorio® for Interventional Imaging and Contrast&Care® for digital services.



2020

GADOPICLENOL

End of phase III clinical trials.

2022

ELUCIREM™

Guerbet announces the FDA's approval of the contrast medium Elucirem™ (gadopiclemol).

ARTIFICIAL INTELLIGENCE

Guerbet obtains €1 million in funding from Banque Populaire d'Investissement (BPI project France 2030) for its artificial intelligence project in the early detection of pancreatic cancer.

1.3 MAIN CONSOLIDATED DATA

1.3.1 Revenue

<i>(in thousands of € – IFRS)</i>	2023	2022
Revenue	785,690	753,275

Breakdown of revenue by geographic region	2023	2022
Europe	39.7%	40.0%
Other markets	60.3%	60.0%

Breakdown of revenue by product range	2023	2022
X-Ray	55.4%	55.1%
MRI	32.7%	32.9%
TOTAL DIAGNOSTIC IMAGING	88.1%	88.0%
INTERVENTIONAL IMAGING	11.9%	12.0%

1.3.2 Main consolidated data

<i>(in thousands of € – IFRS)</i>	2023	2022
Revenue	785,690	753,275
EBITDA ^(a)	98,779	103,052
Operating result	38,671	(18,160)
Net income	22,171	(41,116)
Net income per share <i>(in €)</i>	1.75	(3.25)
Dividend per share <i>(in €)</i>	0.50 ^(b)	0.50
Cash flow	79,527	82,916
Shareholders' equity	378,333	379,570
Net financial debt	335,766	270,359
Gross investments restated for debts on fixed assets	62,346	57,312
Net financial debt/EBITDA	3.40	2.62

^(a) EBITDA refers to operating income plus net amortization, depreciation, impairment and provisions.

^(b) Amount to be proposed to the General Meeting of Shareholders for the 2023 fiscal year.

1.4 OVERVIEW OF ACTIVITIES

1.4.1 Medical imaging techniques



Medical imaging is a medical specialty that aims to orientate or confirm a diagnosis and/or guide treatment. It explores the inside of the human body mainly through four techniques:

- X-ray;
- magnetic resonance imaging (MRI);
- ultrasound;
- nuclear medicine.

Discovered in 1885, X-ray radiography is the oldest form. Its development was revolutionized by the invention of CT (computerized tomography) scanners.

These methods and any associated products play a role at various stages of patient diagnosis and treatment:

- diagnostic support;
- assessing the severity/seriousness of an illness;
- intervention support;
- treatment and therapeutic monitoring support;
- advancement of knowledge of research teams.

In Interventional Imaging, image capture guides a medical or surgical procedure.

By encompassing all of the techniques used in medicine for the diagnosis and treatment of a large number of illnesses, medical imaging has revolutionized medicine and provided immediate and reliable access to information essential to clinical diagnostics, revealing new anatomical characteristics in terms of both the metabolism and the actual functioning of organs.

Medical imaging techniques no longer just provide a “snapshot” of the tissue or organ being examined. They give a visual representation based on specific physical or chemical characteristics. These examinations have been made possible by contrast media adapted to imaging techniques and equipment that are pushing back the boundaries of knowledge concerning the human body.

Technological and IT developments in the 21st century have ushered in a new era for medical imaging.

Rapid scanning, high-definition images, and the advent of big data are factors that are further improving early diagnosis and therapeutic monitoring.

We are currently witnessing a revolution in radiologists’ practice thanks to the introduction of Artificial Intelligence solutions. This revolution has been made possible by, among other things, advances in the field of deep learning. These solutions should help radiologists by improving their productivity and the quality of diagnoses. Examples of potential applications include automatic segmentation or reset, patient prioritization based on algorithm-assessed severity, preliminary reading with identification and segmentation of lesions of interest, automatic second reading, decision support to guide treatment, and tumor tissue characterization to avoid biopsies. This revolution will not occur overnight and will probably take a few years, but the significant level of current investments and communications about new solutions at radiology conferences indicate that it is underway.

The products and solutions developed and marketed by Guerbet are part of a complex approach with many challenges:

- **Regulatory issues:**

- Contrast media are drugs, and delivery solutions/systems and Artificial-Intelligence tools are medical devices. Guerbet products are therefore regulated by two of the most stringent regulatory systems in the world. That explains the development time (several years) for new products or improvements on existing products, in order to demonstrate their quality, efficacy, and safety. These regulations are constantly evolving, and the products marketed by Guerbet must adapt and comply with these regulatory changes on an ongoing basis.
- The diagnostic examinations to be performed for different types of pathologies and their methods of implementation (including the use of contrast media) are governed by recommendations issued by international scientific societies or by commissions/committees of experts at the national level. These recommendations change frequently with improvements in imaging and influence how and how much patients or hospitals/radiology centers are reimbursed for examinations and products.

- **Technological issues:**

- Unlike “conventional” drugs, contrast media are never used alone but always in conjunction with an imaging technique, which is itself constantly evolving and improving. As such, acquisition sequences for scanners and MRIs have undergone considerable changes since their creation, allowing for images and diagnostic information of ever-higher quality. The products and solutions offered by Guerbet must support and adapt continuously to these changes in associated imaging techniques.

- **Societal issues:**

- Guerbet has an obligation to offer products and solutions in line with societal expectations and challenges such as the protection of the environment and biodiversity. These actions can cover various complementary approaches such as manufacturing processes and the use of more environmentally friendly materials/compounds, a responsible purchasing policy, and packaging that limits the amount of unused product leftovers, thus avoiding the risk of uncontrolled releases into the environment.

1.4.1.1 Diagnostic Imaging



A) Contrast media

Contrast media are drugs that are suited to the imaging techniques used because of their nature and method of action:

- the medium of choice for X-ray Imaging is iodine or barium due to their ability to absorb this radiation;
- in magnetic resonance imaging (MRI), gadolinium in its complexed form is the raw material most commonly used, being chosen for its paramagnetic properties. The injection of a gadolinium complex in response to a radiofrequency wave in a magnetic field speeds up the paramagnetic relaxation of the protons in water molecules, enhancing the contrast of the signal observed through MRI in the organs where the product is present;
- the contrast media used for ultrasound scans consist of microbubbles of gas that interact with the ultrasound waves and boost the ultrasound signal;
- in nuclear medicine, the radioactive agent or tracer is the source of the radiation that is then detected.

These products are used to reveal the invisible. They are useful for medical purposes, as they increase the contrast so that an anatomical structure can be viewed separately from the surrounding tissues. These agents play a crucial role, for example, in assessing the functioning of an organ such as the kidney or a tissue such as the heart when measuring the myocardial perfusion of the heart.

The diagnostic efficacy sought by radiologists and clinicians is therefore very closely linked to the suitability of the information received as a result of the contrast medium's enhancing properties and its development over time after injection. This translates into high-quality static or dynamic images that provide data about the anatomy and functioning of organs, the structure of arterial and venous blood vessels, and perfusion parameters. Diagnostic quality is now a key factor in clinicians' decisions regarding treatment and surgery.

These rapid advances also have a direct impact on patients' quality of life. Because they result in earlier diagnoses and improved selection of treatment options suited to each patient's

profile, these drugs now play a decisive role in the development of personalized medicine while meeting the economic imperative of reducing healthcare costs to the community.

B) Our range of contrast media

CT & Cath Lab

Guerbet's range of CT & Cath Lab contrast media consists mainly of two non-ionic iodinated low-osmolar contrast media (LOCM):

- **Optiray®**, available in four concentrations: 240, 300, 320, and 350 mg of iodine/ml. It comes in vials and pre-filled syringes, a form of packaging that is especially appropriate for single-patient injections.



The product is used in CT examinations, and its physicochemical profile is especially suited to arterial investigations (Cath Lab).

- **Xenetix®**, available in three concentrations: 250, 300, and 350 mg of iodine/ml. It comes in vials and polypropylene bags (ScanBag® by Xenetix®).



This innovative packaging preserves the properties of Xenetix® while making it simpler to use, enhancing the safety of patients and medical staff and representing a major step forward in waste management. This packaging is one of Guerbet's solutions to sustainable development challenges. The 350 mg/ml concentration should preferably be used for cardiovascular disorders, and the 300 mg/ml concentration for the investigation of parenchymal conditions (e.g. diseases of the liver or kidneys). In 2021, Xenetix® was granted a new indication in several European countries and the Middle East/Africa region for use in spectral mammography with contrast enhancement to identify known or suspected breast lesions. This technique is being developed in many countries as part of breast cancer screening campaigns.

In the X-ray contrast media range, Guerbet also sells three high-osmolality iodinated media and a range of baryta media:

- **Telebrix® Gastro** and **MD Gastroview®**, iodinated media in drinkable form particularly useful in the examination of digestive pathologies, especially in colorectal cancer screening with virtual colonoscopy.



MD Gastroview® is available for sale only in the United States and Central America.

- **Conray®** and **Cysto-Conray®**, iodinated media used for various vascular or intravesical radiological examinations.

They are available for sale only in North and Central America.

- **Micropaque®**, **Micropaque® Scanner**, and **Microtrast** are barium sulfate-based media used for the examination of digestive pathologies. These media are available for sale in certain European countries.

MRI

Guerbet's MRI range includes:

- **Dotarem®**, a non-specific gadolinium-based macrocyclic contrast medium, which is a leader in many markets worldwide.



Thanks to its physicochemical properties and its safety profile, it is the benchmark MRI agent. Dotarem® is used for the MRI examination of many diseases, in particular conditions affecting the central nervous system as well as abdominal, bone and joint, and vascular disorders.

- **Elucirem™**, a new gadolinium-based macrocyclic contrast medium.



Its high relaxivity (a parameter governing contrast power) allows it to be administered at half the gadolinium dose of conventional products, reducing patient gadolinium exposure and the environmental footprint.

Elucirem™ was approved in the United States by the Food and Drug Administration on September 21, 2022, after an expedited review process for imaging the central nervous system and various other anatomical territories (head and neck, thorax, abdomen, pelvis, and musculoskeletal system). Elucirem™ was launched in the United States in 2023. After its approval by the European Commission on December 11, 2023, and by the United Kingdom, Switzerland, Norway, and Finland, Elucirem™ will be launched in Europe in 2024.

- **Artirem®**, an MRI medium specifically used for bone and joint examinations, available in nine countries, mostly in Europe.



It was the first ready-to-use medium indicated for such conditions able to be injected directly into the joints. It expands Guerbet's MRI range and sets it apart from the competition.

C) Injectors and contrast media delivery systems

Injection devices are divided into two main categories: injectors, which are permanent devices connected to a power source that enable the completely safe programming, management, and monitoring of contrast media injections, and the associated consumables. These consumables are single- or multiple-use sterile medical devices that deliver the contrast medium to the patient from receptacles in the form of vials, pre-filled syringes, or pouches.

Iodinated contrast media injectors are now essential devices. Scanners have such high computing power that they can produce images of the whole body in just a few seconds. These rapid scanning sequences therefore require a highly accurate injection rate that can only be provided by electromechanical devices to synchronize signal acquisition with the arrival of the contrast medium. The use of injectors also protects radiology technicians from the ionizing radiation emitted during examinations using X-ray imaging (because the injector can be controlled remotely). Lastly, high injection flow rates are sensitive to the viscosity of injected solutions, which results in high injection pressures and therefore mechanical power that only a machine can provide. In MRI, the use of injectors is also growing significantly. In fact, just as with X-ray scanners, technological development is leading to faster image acquisition and requires more complex and precise injection protocols that only an injector can perform.

Both injectors and the associated consumables are vital to the daily work of radiology technicians and must be easy, intuitive, quick, and safe to handle. There are also considerable economic challenges for imaging plates, and Guerbet is responding to them by offering competitive solutions.

D) Our range of delivery systems

Guerbet has a portfolio of syringe and softbag injectors. Delivery Systems and Services are a major growth driver.

Medical devices	Trademarks	MRI	X-ray Scanner	Interventional Imaging
Injectors	OptiVantage®/OptiVantage® Multi-use Dual-head CT scan injector		✓	
	Illumena® Néo Cath Lab injector (new Néo version)		✓	✓
	OptiOne® Single-head CT scan injector		✓	
	FlowSens® CT scan Injector compatible with ScanBag® by Xenetix® and other receptacles		✓	
	OptiStar® Elite MRI injector	✓		
Consumables for all types of injectors	Complete range of extension lines	✓	✓	✓
	Secufill® Patient-side connector with secure double-check valve	✓	✓	
	Manyfill® Filling system for syringe injectors (multi-patient use)	✓	✓	

OptiVantage® is a syringe injector dedicated to CT scan imaging studies, available in a multi-use version.

FlowSens® consists of a dual softbag injector for scanner (CT) examinations, consumables, and a full range of associated services. The FlowSens® solution is the only solution on the market to combine a syringe-free hydraulic injection technique with procedure safety at every stage of the injection process. FlowSens® is compatible with ScanBag® and all the X-ray contrast media available on the market.

OptiStar® is a dedicated syringe injector for MRI.

E) Digital and Augmented Intelligence solutions

I) Augmented Intelligence

Augmented Intelligence refers to diagnostic support solutions or, more generally, medical decision support solutions, which can be provided by software using Artificial Intelligence technologies. This is an area where strong growth is expected in radiology for several reasons: firstly, the need is enormous given the lack of radiologists worldwide to cope with population aging and the development of chronic diseases; secondly, machine learning technologies, in particular those using deep learning networks, have made spectacular progress in recent years and allow high-performance tools to be developed relatively quickly. Lastly, there is a strong promise of improved health thanks to these solutions, which should reduce variability in image interpretation, increase radiologist productivity, and ultimately identify new predictive biomarkers of disease progression (cancers and neurodegenerative diseases in particular) and thus reduce the number of biopsies required thanks to characterization of lesions by imaging.

An initiative to explore new opportunities related to Augmented Intelligence was implemented at Guerbet with the recruitment of a Chief Digital Officer in September 2017.

In June 2018, a significant first milestone was achieved with the signing of a strategic partnership with IBM Watson Health, which became Merative in July 2022. In November 2022, Guerbet signed an agreement with Merative to terminate their collaboration. This partnership aimed to design, develop, and market software solutions to assist in the diagnosis and monitoring of liver and prostate cancers. Initially motivated by a change in Merative's strategy for Artificial Intelligence in its imaging portfolio, this agreement provides Guerbet with the strategic latitude now required to continue the work in progress and plan the marketing of solutions. In particular, it allows Guerbet to recover all assets developed by the partnership, such as source codes and algorithms, and the relevant intellectual property.

In January 2023, Guerbet announced an investment in Intrasure, a Montpellier-based SME that develops and markets advanced visualization software for radiology. Following a takeover bid launched in the second quarter, Guerbet holds a majority stake of approximately 56%.

Alongside this, the two companies signed a licensing agreement in June 2023 to allow AI algorithms developed by Guerbet to be integrated into Intrasure products. The aim is to improve the time-to-market for AI products, with the launch of the first products in Europe planned for 2024.

Guerbet has also established a strategic partnership with Icometrix, a leading start-up in the field of Artificial Intelligence to help diagnose brain imaging. Guerbet has become the exclusive distributor of Icometrix products in France, Italy, and Brazil. The four products certified in these countries are used for dementia, multiple sclerosis, head trauma, and epilepsy.

Lastly, Guerbet is continuing its research activities in the area of bone metastasis and pancreatic cancer detection and received €1 million in funding from the French government in September 2022. This financial support will accelerate the development of a solution and also provide a strong boost for Guerbet's Artificial Intelligence research team.

II) Digital solutions related to injection

Guerbet has developed Contrast&Care®, a software solution for contrast medium injection management.

Contrast&Care® is an integrated IT solution that stores all injected examination information (contrast medium, injection protocol, patient data, etc.) and interfaces with information systems used in radiology such as RIS (Radiology Information System), PACS (Picture Archiving and Communication System), and EMR (Electronic Medical Records).

This solution improves efficiency and traceability while simplifying the decision-making process in imaging centers.

Contrast&Care® is compatible with the main Guerbet injectors.

Contrast&Care® was first presented at the RSNA (Radiological Society of North America) in 2017. In 2018, a second version was presented at the RSNA; it complies with the US HIPAA (Health Insurance Portability and Accountability Act) and includes advances in cybersecurity. In 2019, a strategic partnership with InterSystems (one of the world leaders in information technology, particularly for healthcare) was established to develop a new version. The InterSystems technology will ensure interoperability and enable optimal integration of the Contrast&Care® solution with hospital information systems. Guerbet presented the new version of its solution, Contrast&Care®+, at the RSNA 2020. This version is more efficient thanks to the addition of injection protocol library management and the possibility of sending an injection protocol directly to a compatible injector.

Guerbet also markets Dose&Care®, an operational IT solution for monitoring patient exposure to ionizing radiation. It collects data from a variety of methods (CT, X-ray tables, fluoroscopy, mammography, etc.), creates a history of examinations for each patient, and helps imaging centers implement good practice policies and meet regulatory requirements. Dose&Care® collects data in a centralized library and presents the X-ray dosage history for each patient, with options to display information graphically and digitally, and as an effective dose. Dose&Care® interfaces with information systems used in radiology such as RIS (Radiology Information System), PACS (Picture Archiving and Communication System), and HIS (Hospital Information System) using DICOM and HL7 communication standards.

1.4.1.2 Interventional Imaging



Interventional Imaging covers any invasive medical procedure whose purpose is to diagnose and/or treat a disease. The process is guided and controlled by an imaging method (X-ray, ultrasound, or MRI), where the contrast medium is used to guide

the hand of the interventional radiologist and trace the drugs used during the procedure as close as possible to the lesion to be treated. It is used in innovative ways for many indications.

Interventional Imaging therefore allows diagnosis and treatment to be combined in a single procedure thanks to radiological techniques. These minimally invasive procedures, often considered an alternative to surgery, shorten hospitalization times and considerably limit post-procedure complications. The best known of these therapies are vascular angioplasty, embolization, and percutaneous (radiofrequency, cryotherapy, electroporation) or chemical (*in situ* chemoembolization or radioembolization) tumor ablations.

- **Lipiodol® Ultra Fluid** (ethyl esters of iodinated fatty acids of poppy seed oil) was initially developed for Diagnostic Imaging, lymphography, and hysterosalpingography.



It is now often used in Interventional Imaging for conventional transarterial chemoembolization (cTACE) in the treatment of hepatocellular carcinoma (HCC), where Lipiodol® is used as a visualizer (contrast medium), an antineoplastic drug carrier, and an embolic agent. cTACE is recommended by many scientific societies for the treatment of patients suffering from intermediate-stage HCC in Europe, Japan, China, and the United States.

Recently (2020-2021), scientific recommendations from several scientific societies have expanded the population of HCC patients eligible for cTACE treatment in certain early stages of the disease.

To date, Lipiodol® is indicated for lymphography in 55 countries, cTACE and liver cancer imaging in 57 countries,

and selective vascular embolization in combination with surgical adhesives in 27 countries. Lipiodol® is also indicated for hysterosalpingography in 33 countries, including 24 with an indication in women undergoing an infertility assessment.

- **Qitexio® and Vectorio®, a cTACE Mixing & Injection System**, which were specifically developed for Lipiodol® for cTACE, have now been approved in numerous countries.



- **Patent Blue V** is a sterile injectable dye.

It is used for imaging of the lymphatic system, mainly for intraoperative sentinel lymph nodes mapping in breast cancer surgery.



This indication makes it possible to decide whether to perform aggressive surgery concerning the extent of lymph node dissection.

- **SeQuire® and DraKon™** are two microcatheters for peripheral embolization procedures.



In line with the development of its strategy aimed at leveraging key assets, Guerbet intends to step up its R&D efforts to explore new applications for Lipiodol® and plans to gradually divest its microcatheter activities.

1.4.2 Markets

1.4.2.1 Diagnostic Imaging market

For Guerbet, the Diagnostic Imaging market is divided between contrast media for X-ray imaging, MRI, and injection solutions:

X-ray imaging contrast media

Guerbet is number 4 worldwide in X-ray imaging contrast media, with an estimated value of €3 billion in 2023⁽¹⁾. This estimated market value is based on sustained volume growth compared with 2022 associated with price increases due to iodine price inflation⁽¹⁾.

MRI contrast media

Guerbet is number 2 worldwide in MRI contrast media, with an estimated value of more than €1 billion in 2023⁽¹⁾. This estimated market value is based on sustained volume growth compared with 2022⁽¹⁾.

Injectors and medical injection devices

Guerbet is number 4 worldwide in the market for injectors and medical devices for diagnostic imaging injection, with an estimated value of €1.4 billion in 2023⁽¹⁾.

This market is supported by the increased number of examinations involving injections and installations of CT and MRI equipment.

Trends in these markets

The following factors influence these markets:

- a. the growing number of CT/MRI scanners;
- b. the increased number of procedures, and therefore examinations involving injections, also because of improved examination productivity;
- c. the spread of Artificial Intelligence tools in imaging, responding to the need for efficiency and opening up new medical possibilities (early detection, diagnostic accuracy, etc.);
- d. the strengthening and geographic expansion of the range of generic contrast media offered.

⁽¹⁾ Sources: financial reports and specific market studies.

Overall, these markets have grown since 2022. In addition, the services market is burgeoning due to the development of digital technologies.

1.4.2.2 Interventional Imaging market

The transarterial embolization market was valued at €3.4 billion in 2023, of which €1.5 billion for the neurovascular part and €1.9 billion for the peripheral part (rest of the body including interventional oncology and excluding interventional cardiology). Today, Guerbet's development is mainly in the peripheral segment due to the strong position of Lipiodol® in liver cancer treatment. Lipiodol® is also used in neurovascular medicine, in particular for glue embolization of arteriovenous malformations, as well as peripherally on various interventions.

The market for peripheral transarterial embolization can be analyzed as follows:

- a. **Oncology** (mainly in liver cancer treatment), with a market estimated at €900 million in 2023. Today, cTACE represents almost three out of four procedures worldwide (dominant in Asia), the main alternatives being DEBTACE

and Radioembolization. Changing practices in the treatment of liver cancer and the advent of immunotherapies have led to renewed interest in cTACE.

- b. **Embolization** (excluding oncology), with a market estimated at €1 billion in 2023. This market includes procedures such as the treatment of benign tumors (uterine fibroids, prostate hyperplasia), hemorrhages, vascular malformations, or aneurysms using a portfolio of products including coils, plugs, particles, and embolic fluids. Guerbet is present in this market today through the use of Lipiodol® in glue embolization, which can exceed its use in oncology in terms of volume, especially in certain European countries.

The expected growth of these markets depends on the indications and respective development of practices within the countries. The peripheral transarterial embolization market is seeing robust growth of 3% to 9%, supported by the demonstrated benefits of minimally invasive treatments (efficacy, patient quality of life, and cost). The development of new practices, still in clinical studies, could accelerate the use of interventional radiology in the coming years.

1.4.3 Main competitors

Guerbet's portfolio consists of:

- MRI and X-ray contrast media for Diagnostic Imaging;
- Delivery Systems and Services;
- media for Interventional Imaging.

Its main competitors differ according to the activities – Diagnostic or Interventional Imaging – some of which are not present in these two markets.

Company	Diagnostic Imaging		Delivery Systems and Services	Interventional Imaging
	MRI	X-ray		
Guerbet	✓	✓	✓	✓
Bayer Healthcare	✓	✓	✓	✓
GE Healthcare	✓	✓		✓
Bracco	✓	✓	✓	✓
Nemoto			✓	
Medtronic			✓	
Ulrich Medical			✓	
Merit Medical				✓
Sirtex Medical				✓
Terumo				✓
Boston Scientific/BTG				✓
Medtronic				✓
Siemens Healthineers/Varian				✓

The leading companies selling X-ray and MRI contrast media worldwide are Guerbet, Bayer Healthcare, General Electric Healthcare, and Bracco, which offer the following main products:

Company	Nationality	MRI	X-ray
Guerbet	France	Dotarem® (Magnescope® in Japan) Elucirem™	Optiray®/Optiject® Xenetix®
Bayer Healthcare	Germany	Gadovist® (Gadavist® in the US) Primovist® Generic of Dotarem®	Ultravist® Radioselectan®
GE Healthcare	United States	Omniscan™ Generic of Dotarem®	Visipaque® Omnipaque®
Bracco	Italy	Multihance® Prohance® Vueway®	Iomeron® Iopamiron®

Note that generics of Dotarem® are available for sale in many countries, including the United States, European countries, South Korea, China, and India, by companies such as GE Healthcare, Sanochemia, Bayer Healthcare and its subsidiaries, T2Pharma, b.e. imaging, Dongkook Pharmaceutical, Jiangsu Hengrui Medicine, and Fresenius Kabi.

1.5 INDUSTRIAL AND LOGISTICS ACTIVITY

This activity is under the responsibility of the Technical Operations Division, which manages the entire supply chain, from raw materials to delivery to end customers, so as to optimize turnaround times and costs while guaranteeing the highest quality from one end of the chain to the other.

In all its decisions, Guerbet pays particular attention to fulfilling its CSR commitments. They are set out in chapter 5.

1.5.1 An integrated network of plants

Guerbet develops, industrializes, and manufactures most of its products in its integrated network of specialized plants. The goal is to adapt production volumes to market demand and reduce manufacturing costs through a policy of continuous improvement of industrial performance and synthesis processes.

The active ingredients used as raw materials in contrast media are mainly produced in Europe (France and Ireland) at the Group's three specialized chemical plants:

- Lanester (France), a plant specialized in the production of the active ingredients iobitridol (Xenetix®) for the X-ray activity and gadopichlenol (Elucirem™) for the MRI activity;
- the Dublin (Ireland) plant, dedicated to producing the active ingredient ioversol (Optiray®) for the X-ray activity;
- the Marans plant (Simafex), which manufactures the active ingredients of Dotarem® and Lipiodol® as well as the intermediate product used at the Lanester plant as a precursor for gadopichlenol production.

Active ingredient formulation, solution preparation, and filling activities take place at the Group's three pharmaceutical plants located on three continents:

- the Aulnay-sous-Bois plant (in France), Guerbet's long-standing filling plant for X-ray media and Dotarem®, mainly

serves the European, Middle Eastern, African, and Asian markets; this plant will also produce Elucirem™ in vials for markets outside the US;

- the Raleigh plant in North Carolina (in the US) is a filling plant for X-ray and MRI products (Dotarem® and Elucirem™). These products are packaged in syringes for all world markets and in vials for the North and South American markets;
- the Rio de Janeiro plant (in Brazil), specialized in X-ray media and Dotarem®, serves the Latin American markets.

To prepare for the launch of the new MRI product Elucirem™ in new countries, additional investments were made in 2023 at Marans, supplementing the investments made at the Lanester, Aulnay-sous-Bois, and Raleigh plants since 2019.

In 2023, routine production of commercial batches for the United States began at the Marans, Lanester, and Raleigh plants.

The support of external partners, specialized in Europe but also in Asia, is required for certain targeted productions, such as the filling of Lipiodol® for all the markets served and, for a limited number of X-ray media, for specific markets.

Injectors and devices are designed and assembled mainly at Guerbet's Cincinnati plant (United States) and its Lyon plant (Medex). The manufacture of consumables associated with injectors is completely outsourced to specialized partners.

Lastly, the manufacture of the microcatheters recently included in the Guerbet product range is entrusted to two outside partners in the United States for all the markets served.

1.5.2 A regionalized logistics platform

Guerbet delivers its products to all markets in line with optimal delivery time and quality standards through a network of distribution centers located very close to its customers. Regional distribution platforms in Europe, Asia, North America, and South America contribute to this supply chain.

1.5.3 Development based on investment and continuous improvement

Guerbet is continuing with its program of industrial investments and expansion of its network in order to ensure:

- the safety and compliance of operations by harmonizing the production and quality management systems;
- a high-quality service and reliable supplies by increasing capacity and by improving plant reliability and supply chain planning;

- the competitiveness of our industrial platform, and especially its environmental performance, by modernizing plants and improving production processes.

This investment program was reinforced by a global Operational Excellence program aimed at rolling out best practices from the Group or external benchmarks in all the plants and strengthening the Group's continuous improvement culture.

1.6 INNOVATION, RESEARCH, AND DEVELOPMENT

Guerbet's research ambition is to offer radiology professionals and patients safe and innovative solutions consisting of drugs and medical devices (including "software" solutions) that meet their needs.

Guerbet's work is focused on two medical imaging segments: **Diagnostic Imaging** and **Interventional Imaging**.

1.6.1 Organization

The Research team, which is involved in the Diagnostic Imaging and Interventional Imaging activities, has scientific and technical expertise organized in four departments to investigate and validate areas of research:

- Development & Engineering (D&E): engineering team specialized in the development of medical devices (injectors, consumables, and digital technology (software, IT, and health));
- Accurate Medical Therapeutics: engineering team specialized in the development of interventional medical devices (catheters, etc.);
- Augmented Intelligence (AI): research and development team for Augmented Intelligence solutions;
- Research & Innovation (R&I): research and innovation in pharmaceuticals and medical devices (chemistry, physicochemistry, formulation, mass spectrometry – bio-analysis, exploratory and regulatory preclinical studies, public and/or private partnerships) and Patents department (patent portfolio management, patent filing, industrial property studies, etc.).

The Development and Medical & Regulatory Affairs team is organized in four main sections:

- Clinical development: all the activities involved in conducting clinical studies for drugs and medical devices, from phase I to phase IV, from designing the protocol to writing the final research report, including publication of the results by scientific journals;
- Regulatory affairs: all the activities involved in managing the portfolio of registrations of all products, drugs, and medical devices for every country;
- Drug and medical device safety monitoring: all the activities involved in collecting side effect information and/or post-marketing data and writing periodic summary risk/benefit analysis reports to be submitted to the regulatory authorities and/or the notified bodies;
- Medical affairs: all the activities aimed at developing scientific partnerships to optimize patient care through the organization of symposia, expert committees, and scientific exchanges with healthcare professionals.

This head-office organization is backed up by Quality Assurance and Medical Writing/Scientific Documentation departments and regional structures in Europe, North America, Latin America, and the Asia-Pacific region for faster response times to meet the local demands of patients, radiologists, or the authorities.

The discovery of a new product, whether in Diagnostic Imaging or Interventional Imaging, follows a precise procedure:

- identifying and analyzing the medical need;
- defining the product(s) meeting the need;
- developing and validating a prototype (formulation and characterization);
- developing and validating the product's manufacturing processes;
- validating the concept in preclinical experimentation;
- validating the technical solution with the end user;
- developing the product in preclinical and clinical experimentation in accordance with regulatory requirements.

New contrast media are clinically developed in several successive phases over a period of approximately 10 to 15 years in the same way as for therapeutic drugs:

- phase I to study the clinical and biological tolerance in healthy volunteers and the pharmacokinetics (how the product is distributed, metabolized, and eliminated within the organism) of increasing doses of the product and thereby determine the maximum tolerated dose;

- phase II to study, in patients, the diagnostic efficacy of different doses of the product, usually compared with a baseline product already approved or a baseline technique;
- phase III to confirm, for a large cohort of patients, the diagnostic effectiveness and tolerance profile of the product compared with a baseline product or technique.

Some medical devices also require one or more clinical investigations to validate their development:

- clinical feasibility investigation: the results are used to refine design inputs;
- pivotal study: confirms safety and performance.

An authorization for clinical investigation is given by the issuing authority (for example, the *Agence nationale de sécurité des médicaments et des produits de santé* – ANSM in France) on the basis of existing preclinical and clinical data. All the results of the clinical studies are then summarized in the clinical evaluation report, including the data from the literature.

The main objective of Life Cycle Management (LCM) activities is to manage the life cycle of products that are already on sale. Typical LCM activities include obtaining approval for new indications, developing new formulations or presentations, securing registrations in new geographic regions, and the clinical studies that take place in the marketing phase (phase IV).

1.6.2 Therapeutic areas

The two radiology activities, Diagnostic Imaging and Interventional Imaging, are researched in the three main therapeutic areas of oncology, cardiology, and neurology.

In oncology, the incidence of the most common forms of cancer (lung, breast, prostate, colorectal, pancreatic, and liver) is constantly growing. For example, injections with contrast media are used in around 34 million examinations each year in the five largest European countries. This increase is due to a combination of longer life expectancy and known risk factors, such as smoking, unhealthy eating, stress, and environmental risks. This is resulting in a greater number of diagnostic examinations at increasingly early stages aimed at improving patient care and quality of life and the monitoring of patient treatment. The trend in the treatment of breast cancer is a perfect example of the role played by the various types of medical imaging, as MRI plays a vital role in screening for and/or monitoring the disease. European data indicate that more than 40 million women over the age of 50 should be routinely screened by imaging. This procedure makes earlier diagnosis easier, radically changing the treatment strategy and allowing disease-free remission from the condition. Furthermore, in the case of surgery, sentinel lymph node mapping can be

used in this same disease to limit surgical intervention to what is strictly necessary.

For some types of cancer, such as hepatocellular carcinoma (HCC), Interventional Imaging is of great benefit, as it enables the precise imaging and mapping of hepatic lesions and even the administering of anti-cancer drugs within these tumor lesions through transarterial chemoembolization, usually as an outpatient procedure.

In cardiology, the assessment of cardiovascular diseases through imaging by injecting contrast media is vital for investigating the consequences of serious diseases for patients who are symptomatic and/or present associated risk factors (such as obesity, diabetes, high cholesterol, stress, high blood pressure, and smoking).

More than 8 million examinations are carried out worldwide each year to analyze the condition of blood vessels (detecting significant narrowing of vessels due to arterial plaque) and the impact on the blood flow rate needed to adequately supply essential tissues such as the heart (risk of a heart attack) or the brain (risk of stroke).

Appropriate diagnosis allows patients to be categorized according to their risk profile and the presence or absence of clinical signs to determine the most appropriate treatment options: preventive monitoring, choice of one drug alone or several drugs in combination, or a strategy of major or interventional surgery. In this specialty, for example, the injection of contrast media in Interventional Imaging provides a view of the narrowed part of blood vessels needing medical attention, guides endovascular procedures, and provides an immediate check on the effectiveness of the resulting dilation. This type of treatment, which is less invasive for the patient and less costly for the community in terms of hospitalization time and patient monitoring, has replaced surgery in many cases.

In **neurology**, MRI has proven its worth through central nervous system (CNS) imaging by making it possible, for the first time, to diagnose lesions that cannot be seen using an X-ray scanner. Injections of contrast media during CNS imaging enable the investigation of tumor diseases (primary brain tumors or brain metastases linked to a primary cancer), inflammatory diseases (such as multiple sclerosis), degenerative conditions (such as Alzheimer's disease), vascular disorders (such as strokes), and infectious diseases (such as brain abscesses).

Most of these pathologies are chronic, and the drugs available to stop their progression are still insufficient. It is a major public health issue due to population aging, longer life expectancy, and the high cost of caring for these dependent patients. Interventional Imaging can also be used to successfully treat a large number of cerebral arteriovenous malformations without surgery.

1.6.3 Diagnostic Imaging

In **MRI**, in response to requests from the US, Japanese, and European authorities, Guerbet has provided all the available preclinical and clinical data on Dotarem® regarding the potential risk of brain deposits with repeated use of gadolinium. Deposits have been reported with linear gadolinium chelates, but far less so or not at all with macrocyclic gadolinium chelates like Dotarem® and Elucirem™. After the EMA (European Medicines Agency) began interim proceedings (article 31) that led to a reassessment of the risk/benefit analysis for all gadolinium chelates, the European Commission confirmed in November 2017 the EMA's decision to suspend non-specific linear gadolinium chelates, restrict MultiHance® and Primovist® to liver imaging only, and maintain gadolinium macrocycle chelates in all their indications. Also in November 2017, the authorities in Japan decided to maintain first-line gadolinium macrocycle chelates and restrict the use of linear products as a second-line option. In December 2017, the FDA (Food and Drug Administration) officially recognized that linear gadolinium chelates cause greater gadolinium deposits than macrocycles and requested changes to the legal notices for all products.

Guerbet LLC, like other laboratories marketing this type of product, therefore received a request from the FDA to carry out preclinical studies and a clinical study for Dotarem® and Elucirem™, both marketed in the United States. These studies examine the potential long-term neurobehavioral effects of gadolinium chelates and in vivo gadolinium deposition. The preclinical study program was completed in 2023 for Dotarem® and began in the same year for Elucirem™ in view of its recent FDA approval. The clinical trial is underway, and Elucirem™ has just been included. Progress is reported regularly to the FDA. Some studies are being conducted in a consortium with other laboratories marketing gadolinium chelates in the United States.

Since 2021, exploratory preclinical studies have been ongoing to document long-term gadolinium retention in various organs after single or repeated doses of Elucirem™ and the associated speciation.

Guerbet is continuing its clinical development of the new chemical entity (NCE) gadopichlenol (Elucirem™), a gadolinium chelate-based molecule for use in MRI. As preclinical studies have shown, this particularly effective product is suitable for the high magnetic fields (1.5 T and 3 T) used in routine clinical practice. Clinical studies in phases I, II, and III have been completed. Clinical studies were also conducted in specific populations and/or populations at risk, such as renal failure patients and children from 2 to 17 years of age. The registration application was submitted to the European and US agencies in early 2022. In the US, the application received an expedited review, and the FDA granted marketing approval on September 21, 2022. In Europe, the European Commission approved Elucirem™ on December 11, 2023, paving the way for its launch in the European Union in early 2024. Marketing authorization (MA) applications are currently being filed in other countries.

On December 14, 2021, Guerbet and Bracco Imaging announced the signing of a partnership agreement for R&D activities on gadopichlenol. Following approval by the health authorities, Guerbet and Bracco will both market gadopichlenol independently under two different brand names. New clinical studies of gadopichlenol are underway or planned, in collaboration with Bracco, to gain new indications, authorize its use in new patient populations (e.g. children 0 to 2 years old), or obtain Marketing Authorization in Asian countries.

As provided for in the Pediatric Investigation Plan agreed upon with the European and US authorities, a clinical study in children from 0 to 2 years of age started in 2022. This study will eventually allow gadopichlenol to be approved for use in this population after approval by the health authorities.

With regard to Delivery Systems and Services, the Innovation, Research, and Development engineers are currently focusing on three strategic areas:

- connecting injectors to imaging equipment;
- developing solutions for the tracing of injected doses (Contrast&Care®);
- ensuring the safety of medical procedures through innovative injection devices, whether single-use or designed for safer multi-use practices.

1.6.4 Interventional Imaging

Commercial growth and expansion of Lipiodol® applications

Established 40 years ago as a standard in the treatment of liver cancer, Lipiodol® also has a strong foothold in other fields – including vascular embolization, lymphography, and hysterosalpingography (HSG) – which now account for a significant proportion of sales volumes and future growth. The development potential for new innovative indications appears significant, especially in the treatment of musculoskeletal disorders, venous diseases, and post-surgery and cancer disorders. Research and development efforts will be stepped up to explore new applications for Lipiodol®.

Planned microcatheter activity divestment

In line with the shift in its strategy to leverage key assets, Guerbet intends to gradually divest its microcatheter activities historically housed within Accurate Medical Therapeutics. Since its acquisition in 2018, the microcatheter portfolio has been expanded very significantly, now containing 38 products across the SeQuire® and DraKon™ microcatheter product lines for peripheral embolization procedures. This activity is relatively insignificant at the Group level and now requires specialized, reinforced sales teams and further significant investments to realize its full commercial potential, elements that are no longer in line with the Group's development strategy.

Guerbet also plans to sell the Occlugel technology acquired in 2018, comprising several lines of microspheres for embolization uses.

1.6.5 Public-private partnerships

To meet its Innovation, Research, and Development objectives, Guerbet is building a strategy of partnership, collaboration, and open-innovation agreements. Thanks to this outward-looking approach, it is able to benefit from international scientific expertise. Medical imaging is a multidisciplinary field requiring expertise in chemistry, physics, computing, image processing, electronics, biology, and medicine.

Several collaborative research programs are being conducted. One of the most important projects, Iseult, financed by Bpifrance (Banque publique d'investissement), was completed in 2020. The expected benefit of these new technologies is improved sensitivity in the detection of small brain lesions that cannot be detected using standard techniques. Gadopiclenol (Elucirem™) was developed as part of this program.

Some collaborative research partnerships involve two types of financial clauses:

- repayment of advances if product sales are successful;
- payment of a share of the profits based on the revenue and/or operating profit generated by the products resulting from these projects.

Investments continue to be made in the BioMedTech FPCI fund, initiated in 2017. This fund is managed by Truffle Capital, a specialist investor in start-ups developing breakthrough technologies and products in the life sciences sector. This investment is part of the Group's innovation strategy and also illustrates its diversification strategy to seek growth beyond contrast media by linking up with high-potential French MedTech or BioTech start-ups in the field of interventional medicine.

1.6.6 Research and Development costs

The table below presents the Research and Development costs incurred by Guerbet Group over the last two years.

	2023*	2022*
Research and Development costs (in € thousands)	81,228	69,982
Research and Development costs (as % of revenue)	10.5%	9.3%

* Including the research tax credit (CIR).

Guerbet is stepping up its investments:

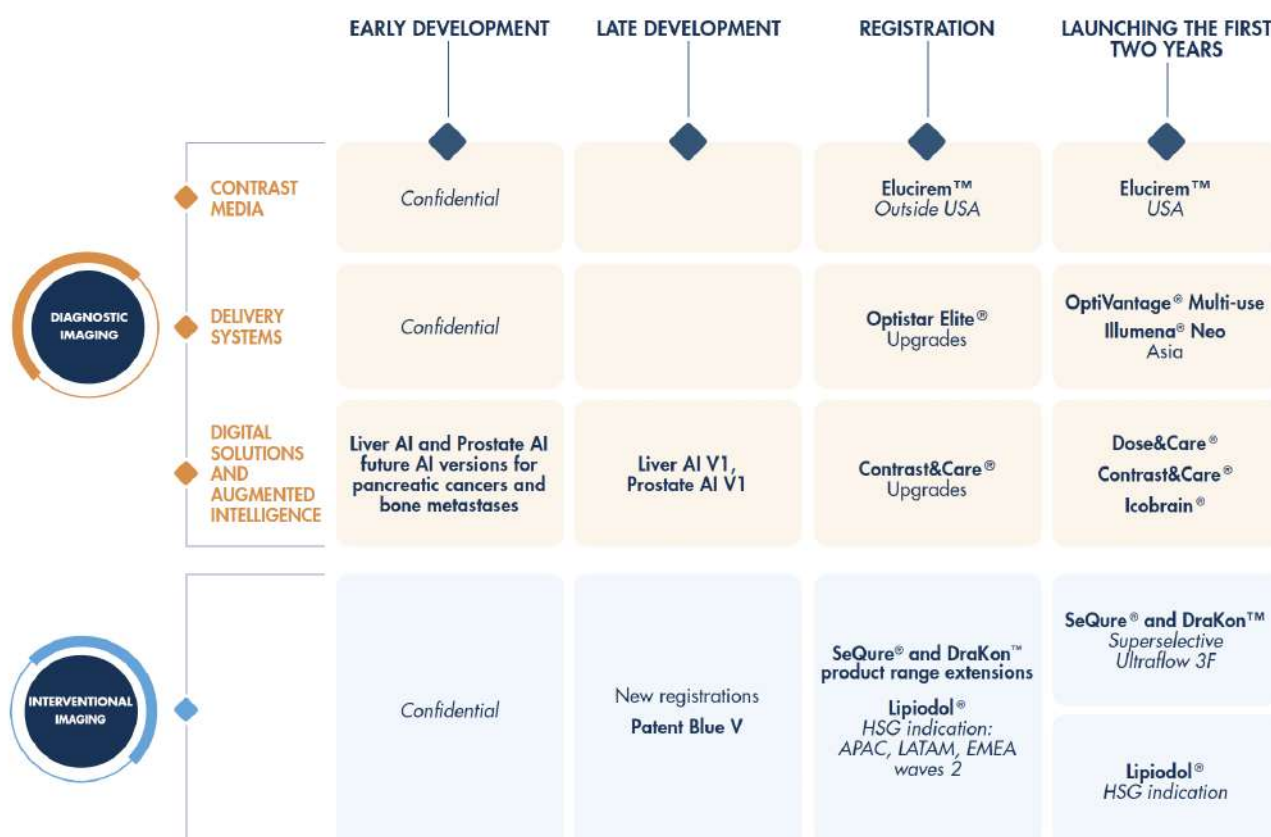
- in Diagnostic Imaging by pursuing the plan for development of gadopichlenol (Elucirem™) in MRI;
- in the digital sector by developing imaging solutions coupled with Artificial Intelligence.

There is still significant market potential, and this agreement enables Guerbet to retain control of the research work in progress. The Group gives a reminder that very promising initial results were obtained in 2022, in particular on the detection of liver lesions (work to be presented at the RSNA 2022 conference) and the detection of prostate cancer (work to be presented at the ECR 2022 conference). Also, the quality of the presentation of the Guerbet Artificial Intelligence research

team's work recently impressed the jury of the BPI France 2030 program, resulting in €1 million in funding for the company's project in the early detection of pancreatic cancer, as announced recently.

Guerbet's commitment to promoting its digital imaging technology and algorithms developed over the past several years is further strengthened by the licensing agreement entered into in the first half of 2023 with Intrasure following the Group's acquisition of a stake in the company announced on January 11, 2023. This strategic partnership will enable Guerbet to benefit from proven know-how in integrating Artificial Intelligence into the clinical routine of practitioners in imaging and oncology.

1.6.7 Research and Development portfolio



1.6.8 Intellectual property

Intellectual property is vital, as it compensates for part of the time and cost involved in innovation, while allowing companies to reap the benefits of researchers' work. The patent has a term of 20 years from the date on which the application is filed. In practice, product development times, especially for drugs, are such that the exclusivity period is often considerably reduced. The expiration of a patent may lead to the emergence of very strong competition due to the arrival of generic products.

In some cases, and where the patent relates to the active ingredient of a drug, it may be extended for up to five more years through an additional protection certificate, known as a Patent Term Extension in the United States or a Supplementary Protection Certificate in other countries.

Products may also be protected by other patents during the development and/or marketing phase. Guerbet has a portfolio of patents covering active ingredients (e.g. contrast and radiotherapy media), new pharmaceutical formulations,

emulsions, formulation and manufacturing processes, delivery systems, medical devices (syringes, tubing, microcatheters, etc.), and methods based on Augmented Intelligence.

The Guerbet Group and its subsidiaries have 441 patents and patent registration applications pending (mainly in the names of Guerbet, Liebel-Flarsheim Company LLC, Accurate Medical Therapeutics, and Medex), 1,774 trademarks registered or pending registration, and 22 industrial models. The portfolio of patents, trademarks, and industrial models contributes to the Group's valuation and strengthens its position in the growing market for contrast media combined with medical devices. In 2023, the Guerbet Group and its subsidiaries were granted 39 patents worldwide. In particular, patents were granted in Australia, Brazil, South Korea, Europe, the United States, Hong Kong, and Japan for Elucirem™ and its active ingredient. This product will thus be protected until 2040.

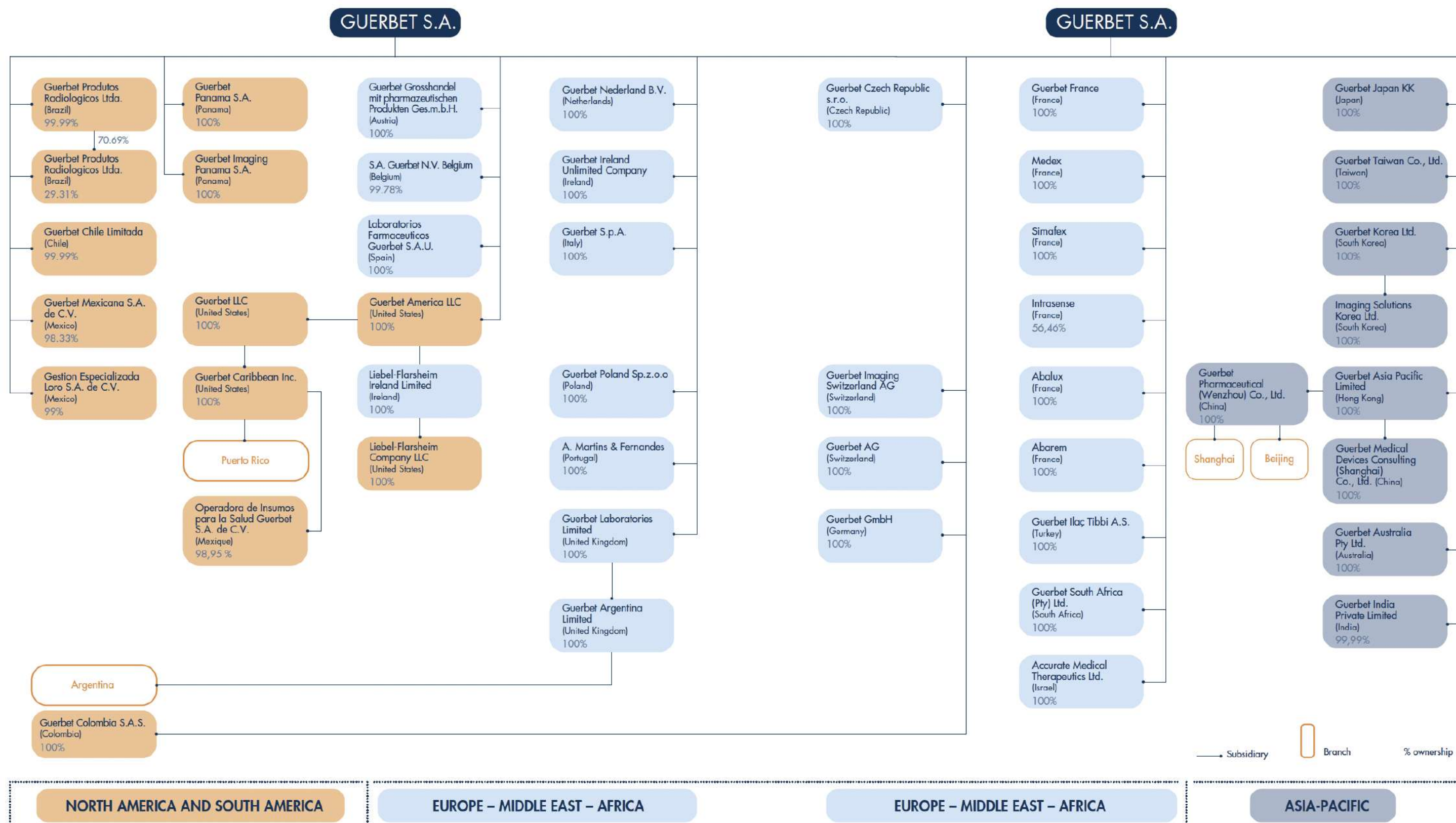
1.6.9 Clinical data protection

Clinical data protection is a complement to protection by patent. This is a period of exclusivity during which a regulatory administrative authority will refuse:

- a Marketing Authorization application for a competing product; or
- the granting of Marketing Authorization for generics developed on the basis of the clinical data covered by this protection relating to an originator drug.

1.7 THE GROUP'S GOVERNANCE STRUCTURE AT DECEMBER 31, 2023

1.7.1 An international presence



1.7.2 Property owned

Country	Town/City	Address
Brazil	Rio de Janeiro	Rua André Rocha, 3000, Jacarepaguá, CEP 22710, 568 – Rio de Janeiro
United States	Cincinnati	2111 E Galbraith Road, Cincinnati, Ohio 45237
	Raleigh	8800 Durant Road, Raleigh, North Carolina 27616
France	Aulnay-sous-Bois	16/24, rue Jean-Chaptal and 1, rue Nicéphore-Niépce – 93600 Aulnay-sous-Bois
	Marans	16, rue des Fours-à-Chaux – 17320 Marans
	Lanester	ZI de Kerpont, 705, rue Denis-Papin – 56600 Lanester
	Villepinte	15, rue des Vanesses – 93420 Villepinte
Ireland	Dublin	Damastown Mulhuddart – Dublin 15

1.7.3 Distribution

Guerbet markets its products in more than 115 countries in every continent in several ways:

- directly through its subsidiaries and branches;
- through distributors;
- through license holders.

Direct operations

The Group has direct operations in more than 20 countries in Europe, Asia, Oceania, North America, and Latin America.

Distribution agreements

For markets in which Guerbet does not have direct operations or a licensing agreement, it has agreements with distributors. The main agreements cover Scandinavia, Eastern Europe, Greece, Africa and the Middle East, Canada, and some countries in South America, Asia, and Oceania. These distributors are now joined by a network of companies dedicated to providing after-sales services for injectors.

Customer types

Guerbet's local customer structure in each of its national markets, excluding distributors and licensees, differs from one country to the next. Nevertheless, there are two factors common to most countries:

- a large proportion of sales are made to hospitals, clinics, radiology centers, and purchasing pools. In the vast majority of cases, such sales are based on negotiated contracts or calls for tenders;
- a second major category of customers consists of wholesale distributors, which in turn supply pharmacies.

2 | CORPORATE GOVERNANCE

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2.1 BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

In accordance with article L. 225-37, paragraph 6 of the French Commercial Code, we are pleased to present to you the report of the Board of Directors on Guerbet's corporate governance. In particular, this report gives an account of the composition, conditions for preparation and organization of the Board's work, the organization of the General Management, as well as the principles and rules for determining the compensation and benefits of any kind granted to the corporate officers. This report was approved by the Board of Directors on March 20, 2024.

Guerbet has adopted the Corporate Governance Code published by Afep-Medef (French association of private-sector companies/French business confederation). Any deviations from

this Code are indicated in the summary table at the end of this report. This Code is available at <https://afep.com/wp-content/uploads/2020/01/Afep-Medef-Code-revision-2020-EN-.pdf>.

Guerbet is a French public limited company (*société anonyme*) with a Board of Directors. The functions of the Chairperson of the Board and the CEO are separated. The separation of the functions of Chairperson of the Board of Directors and Chief Executive Officer has been in place at Guerbet since the form of the company was changed to an S.A. with a board of directors (it was previously in the form of an S.A. with an executive board and a supervisory board) by its Board of Directors on May 21, 2010.

2.2 BOARD OF DIRECTORS

2.2.1 Composition of the Board of Directors

2.2.1.1 General principles governing the composition of the Board of Directors

The operation of the Board of Directors is governed by the company's articles of association and the law. It also has Internal Regulations that specify and supplement the procedures governing its operation and the operation of its Committees. The articles of association and the Internal Regulations are available on the Guerbet Group website (under "Investors" – "Corporate Governance" section).

The main principles governing the composition of the Board of Directors are as follows:

- the Board of Directors is composed of i) three (3) to eighteen (18) Directors appointed by the Ordinary General Meeting and ii) one (1) to two (2) Directors representing the employees, elected from and by the staff of the company and that of its direct or indirect subsidiaries whose head office is located on French territory depending on whether

the Board of Directors is composed of fewer than eight (8) Directors or more than eight (8) Directors;

- Directors, whether they are natural persons or legal entities, are appointed for a term of one (1) to six (6) years by the General Meeting on the recommendation of the Board of Directors after consulting the Appointments and Compensation Committee⁽¹⁾. Each Board member, with the exception of the Directors representing the employees, must own at least 200 company shares (as provided for in article 9.b of the articles of association). If, on the day of his or her appointment, a Board member does not hold the requisite number of shares, or if, during his or her term of office, a Board member ceases to own them, the Board member is automatically deemed to have resigned if the situation is not rectified within six (6) months;
- the reappointment, resignation, co-optation if a vacancy arises, and dismissal of Board members are carried out under the conditions provided for by law.

⁽¹⁾ Note that the General Meeting of May 20, 2022, approved an amendment to article 9b of the company's articles of association (Appointment of the Board of Directors and term of office) to provide that, as an exception to the term of six (6) years and exclusively to allow the staggering of Directors' terms of office to be implemented or maintained (as recommended by the Afep-Medef Code), the Ordinary General Meeting of Shareholders may appoint one or more Directors for a term of one to five years.

2.2.1.2 Current composition of the Board of Directors

As of December 31, 2023, the Board of Directors had 12 members, including two Directors representing the employees:

	Position	Independence	Audit Committee	Appointments and Compensation Committee	Ethics, Governance, and CSR Committee	Strategy and Innovation Committee	Date of first appointment	End of term
Didier Izabel	Chairperson (from May 26, 2023) Director	Yes	Chairperson	Member		Member	May 23, 2014	2026 GM
Pascale Auger	Director	Yes	Member	Member			May 26, 2023	2028 GM
Carine Dagommer	Director	No	Member (from May 26, 2023)	Member			May 20, 2022	2028 GM
Marie de la Simone	Employee-elected Director	No					November 22, 2023	November 22, 2029
Mark Fouquet	Director	No	Member			Member	May 23, 2014	2026 GM
Éric Guerbet	Director	No		Member		Member	May 19, 2017	2029 GM
Céline Lamort	Director	No	Member until May 26, 2023		Member	Member (from May 26, 2023)	May 29, 2015	2027 GM
Nicolas Louvet	Director	No			Chairperson	Member until May 26, 2023	May 27, 2016	2028 GM
Marc Massiot	Director	No			Member	Chairperson (from May 26, 2023)	May 28, 2021	2027 GM
Claire Massiot-Jouvault	Director	No				Member	May 24, 2013	2025 GM
Jean-Sébastien Raynaud	Employee-elected Director	No		Member			October 27, 2020	October 26, 2026
Thibault Viort	Director	Yes	Member	Chairperson	Member	Member	May 19, 2017	2024 GM

On May 26, 2023, Didier Izabel was appointed Chairperson of the Board of Directors to replace Marie-Claire Janailhac-Fritsch, whose term of office ended on that date and who had reached the maximum number of reappointments permitted by law.

Michel Guerbet was Honorary Chairperson of the company until his death on January 23, 2024.

In view of its reference shareholding structure, the Board of Directors has a majority proportion of Directors representing the Shareholder Agreement. In general, the Board of Directors and the Appointments and Compensation Committee seek to balance the composition of the bodies in the selection of

Directors and to pursue a strong diversity policy. This is reflected in the following factors monitored annually by the Board:

- 40% women on the Board and a balanced representation of women and men on each Committee;
- the average age of the Directors is 55 years, and the distribution of Directors is balanced overall between those over 60 years of age (42%), those between 50 and 59 years of age (25%), and those under 50 years of age (33%);
- a diversity of skills and professional experience to best meet its needs and carry out its work.

AUTHORITY OF THE BOARD OF DIRECTORS



The Directors have been appointed for a six-year term, in accordance with the law and the articles of association. Note that the Afep-Medef Code's recommendation of a four-year term for Directors has not been adopted. The company strives to meet the criteria of the Afep-Medef Code whenever they are compatible with its organizational structure and operating procedures. However, because of the company's size, its capital-intensive nature, and the Board's desire to adopt a long-term perspective while drawing on experience, it has decided not to follow this recommendation. Note that the General Meeting of May 20, 2022, approved an amendment to article 9b of the company's articles of association (Appointment of the Board of Directors and term of office) to provide that, as an exception to the term of six (6) years and exclusively to allow the staggering of Directors' terms of office to be implemented or maintained (as recommended by the Afep-Medef Code), the Ordinary General Meeting of Shareholders may appoint one or more Directors for a term of one to five years.

2.2.1.3 Director Declarations

No convictions for fraud, involvement in bankruptcy, or incrimination and/or official public sanctions

To Guerbet's knowledge, as of the date of preparation of this document, none of the Directors has been convicted of fraud, been the subject of government proceedings, or involved in bankruptcy, receivership, or liquidation proceedings.

Conflicts of interest

In 2023, the Board of Directors was not informed of any potential conflicts of interest that would prevent the performance of a Director's duties throughout the year. General declarations of non-conflict of interest are made in writing and signed, now electronically, by each Director each year, in accordance with the conflict-of-interest management procedure validated by the Board of Directors.

Service contracts

No member of the Board of Directors or the General Management is bound by a service contract with Guerbet S.A. or any of its subsidiaries providing for the granting of benefits under such a contract.

Internal procedure for related-party agreements and "ordinary" agreements

The procedure was established in accordance with:

- the regulation applicable to ordinary and related-party agreements and commitments, as in force following the promulgation of French law No. 2019-486 of May 22, 2019, known as the PACTE law;
- the recommendations of the Autorité des marchés financiers. The purpose of the procedure is to:
 - recap the regulatory framework applicable to related-party agreements and commitments and clarify the methodology applied internally to describe the various agreements entered into, and
 - implement, in accordance with the provisions of article L. 22-10-12 of the French Commercial Code, a procedure for regularly assessing ordinary agreements.

The procedure was approved by Guerbet's Board of Directors on March 24, 2020, and is available on Guerbet's website.

2.2.1.4 Independent Directors

Each year, after consulting the Appointments and Compensation Committee, the Board of Directors reviews the individual situation of each Director in view of all the independence requirements of the Afep-Medef Code (article 10). According to the Code, a Director is independent "when he or she has no relationship of any kind whatsoever with the corporation, its group, or its management that may interfere with his or her freedom of judgment. Accordingly, an Independent Director is understood to be any non-executive director of the corporation or the group who has no particular bonds of interest (significant shareholder, employee, etc.) with them." In view of these criteria, at its meeting on December 14, 2023, and on the recommendation of the Appointments and Compensation Committee, the Board of Directors deemed that the three Independent Directors are still eligible for such status. They are Didier Izabel, Pascale Auger, and Thibault Viort.

The criteria used to assess the independence of the Directors are as follows:

- criterion 1: not to be and not to have been within the previous five years:
 - an employee or executive officer of the Corporation,
 - an employee, executive officer, or director of a company consolidated within the Corporation,
 - an employee, executive officer, or director of the Corporation's parent company or a company consolidated within this parent company;
- criterion 2: not to be an executive officer of a company in which the Corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Corporation (currently in office or having held such office within the last five years) holds a directorship;
- criterion 3: not to be a customer, supplier, commercial banker, investment banker, or consultant that is significant to the Corporation or its group or for which the Corporation or its group represents a significant portion of its activity. The evaluation of the significance or otherwise of the relationship with the Corporation or its group must be debated by the Board, and the quantitative and qualitative criteria that led to this evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the report on corporate governance;
- criterion 4: not to be related by close family ties to a company office;
- criterion 5: not to have been an auditor of the Corporation within the previous five years;
- criterion 6: not to have been a director of the Corporation for more than 12 years;
- criterion 7: directors representing major Shareholders of the Corporation or its parent company may be considered independent, provided these Shareholders do not take part in the control of the Corporation. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board, upon a report from the Nominations Committee, should systematically review the qualification as independent in the light of the composition of the Corporation's capital and the existence of a potential conflict of interest.

Directors	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7
Independent Directors							
Didier Izabel	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled
Pascale Auger	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled
Thibault Viort	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled
Non-Independent Directors							
Carine Dagommer	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Mark Fouquet	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Éric Guerbet	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Céline Lamort	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Nicolas Louvet	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Marc Massiot	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Claire Massiot-Jouvault	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Not fulfilled
Marie de la Simone (Director representing the employees)	Not fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled
Jean-Sébastien Raynaud (Director representing the employees)	Not fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled	Fulfilled

As of December 31, 2023, 30% of the Board members were independent (employee-elected Directors are not included in this calculation in accordance with the Afep-Medef Code).

2.2.1.5 Changes in the composition of the Board of Directors during the 2023 fiscal year

The 2023 General Meeting appointed Pascale Auger as a new Independent Director and approved the reappointment of Carine Dagommer, Éric Guerbet, and Thibault Viot.

Marie de la Simone also joined the Board of Directors as an employee-elected Director on November 22, 2023, replacing Olivier Fougère, whose term of office had expired.

2.2.1.6 Training and orientation of Directors

New Directors undergo a dedicated orientation process. Information sessions prior to the first Board meeting are held with the Chairperson of the Board of Directors and the Secretary of the Board and of the committees. This program enables new Directors to quickly understand Guerbet Group and its challenges. It includes a review of the Group's strategy, current projects, the company's internal organization and the challenges facing the main departments, the competitive environment, the medium-term and long-term outlook, and corporate governance. Whenever possible, this orientation process includes visits to the industrial plants.

In addition, any Director can receive ad hoc training on topics of interest to the company or to expand certain knowledge.

2.2.1.7 Ending terms of office

The term of office of Thibault Viot will end at the General Meeting of May 24, 2024.

The terms of office of the other Directors will end at the following General Meetings:

2025 GM	Claire Massiot-Jouvault
2026 GM	Mark Fouquet
	Didier Izabel
2027 GM	Céline Lamort
	Marc Massiot
	Pascale Auger
2028 GM	Carine Dagommer
	Nicolas Louvet
2029 GM	Éric Guerbet

The reappointment date of Jean-Sébastien Raynaud, Director representing the employees, is October 26, 2026.

The reappointment date of Marie de la Simone, Director representing the employees, is November 22, 2029.

2.2.1.8 Offices and positions held by members of the Board of Directors

As of December 31, 2023, the Board of Directors consisted of the following members:



Date of birth:

December 06, 1955

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

May 23, 2014

Date of most recent

reappointment:

May 29, 2020

End of term of office:

2026 General Meeting

Didier IZABEL

CHAIRPERSON OF THE BOARD OF DIRECTORS

Independent

CAREER HISTORY

- Senior Partner at Axys Finance (since 2009)
- Managing Director at Group Banca Leonardo (2006-2009)
- Partner at Toulouse & Associés (2003-2006)
- Head of Mergers and Acquisitions at Compagnie Financière Edmond de Rothschild (1994-2003)
- Head of the Financial Engineering Department at Banexi (BNP Group) (1989-1994)

Ministry for Industry:

- General Directorate for Industry, in charge of the Pharmaceutical Industry (1985-1989)
- Provence-Alpes-Côte d'Azur Region DRIR (Regional Directorate for Industry and Research), in charge of the Industrial Environment (1982-1985)

EDUCATION

- École Polytechnique (1976)
- École Nationale des Mines de Paris (1981)
- Member of the Corps des Mines

CURRENT OFFICES HELD

At Guerbet

- Chairperson of the Board of Directors (from May 26, 2023)
- Chairperson of the Audit Committee
- Member of the Appointments and Compensation Committee
- Member of the Strategy and Innovation Committee

2023 meeting attendance rate

Board of Directors: 100%

Audit Committee: 100%

Strategy and Innovation Committee: 100%

Appointments and Compensation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- CEO of Axys Finance (since March 2009)

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

- CEO of SARL LMP 07 (until 2017)
- CEO of SARL Financière des pins (until 2016)

Foreign companies

None

**Date of birth:**

October 23, 1962

Business address:

Guerbet

15, rue des Vanesses
93420 Villepinte – France**First appointment to the Board:**

May 26, 2023

Date of most recent

reappointment:

Not applicable

End of term of office:

2028 General Meeting

Pascale AUGER

DIRECTOR

Independent

CAREER HISTORY

- Deputy CEO of the Rabot Dutilleul Group (2019-2020)
- CEO of Mauboussin (2017-2018)
- Head of Global Master Data Management within the Global Business Services department of the LafargeHolcim Group (2016-2017)
- Chief Development Officer to Maurice Ricci, Founder and Chairperson of the AKKA Technologies Group, an engineering and technology consulting firm (2014-2015)
- Chief Development Officer of the Bolloré Group for the development of future solutions in the field of mobility services and electrical storage (2013-2014)
- Vice President of Capgemini Consulting, Strategy, Change, and Performance Management (2003-2011)
- Partner, head of Finance for the Industry and Retail sectors of PricewaterhouseCoopers (1993-2002)

EDUCATION

- Engineer, Centrale Lille, PhD in robotics and industrial organization

CURRENT OFFICES HELD

At Guerbet

- Independent Director
- Audit Committee member
- Member of the Appointments and Compensation Committee

2023 meeting attendance rate

Board of Directors: 100%

Audit Committee: 100%

Appointments and Compensation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- Chairperson of the Audit Committee and Independent Director of EXEL Industries (since 2018)
- Chairperson of the Board of Directors of PRODEVAL (since 2021)
- Chairperson of the Nominations, Remuneration, and Governance Committee, Independent Director of ICAPE (since 2021)
- Chairperson of Corporate Angel (SASU)

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

- Member of the RDH Advisory Board and the Appointments and Compensation Committee (2016-2019)
- Member of the Supervisory Board, VITAMINE T Group (2021-2023)

Foreign companies

None



Date of birth:
July 10, 1970

Business address:
Guerbet
15, rue des Vanesses
93420 Villepinte – France

Board co-optation date:
September 22, 2021

First appointment to the Board:
May 20, 2022

End of term of office:
2028 General Meeting

Carine DAGOMMER

DIRECTOR

Non-independent: member of the Guerbet family

CAREER HISTORY

- Marketing management functions in the Biocodex, Uriage, Puressentiel, and Nuxe laboratories, Paris (since 2018)
- Head of Sales and Marketing – Valeur Absolue Parfums, Geneva (2014-2015)
- International Marketing Manager for makeup and fragrance – Elizabeth Arden International, Geneva (2001-2011)
- Export Manager for the Latin America & Caribbean region, then Key Accounts Manager for France & Belgium – Escada Beauté Group, Paris (1998-2001)
- Department store manager – Parfums Grès, Paris (1996-1998)

EDUCATION

- Master 2 (DESS) International Business (Université R. Schuman, Strasbourg)
- ESSEC Global BBA

CURRENT OFFICES HELD

At Guerbet

- Director
- Member of the Audit Committee (from May 26, 2023)
- Member of the Appointments and Compensation Committee

2023 meeting attendance rate

Board of Directors: 100%

Appointments and Compensation Committee: 100%

Audit Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

None

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:

September 28, 1974

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

November 22, 2023

Date of most recent

reappointment:

Not applicable

End of term of office:

November 22, 2029

Marie DE LA SIMONE

DIRECTOR REPRESENTING THE EMPLOYEES

Non-independent: Guerbet employee

CAREER HISTORY

- Global Marketing Director – Artificial Intelligence, Guerbet S.A. (since 2021)
- Marketing Director France, Microport CRM (2018-2021)
- Key Account Manager, Siemens Healthineers (2017-2018)
- Business Unit Manager, Advance Therapy Division, Siemens Healthineers (2013-2017)
- Global Marketing Director, EOS Imaging (2006-2013)
- Marketing Manager, Praxim Medivision (2001-2006)

EDUCATION

- Master of Business Administration (IAE Aix-en-Provence)
- Biomedical engineer, UTC (Université de Technologie de Compiègne)

CURRENT OFFICES HELD

At Guerbet

- Director

2023 meeting attendance rate

Board of Directors: N/A

CURRENT OFFICES HELD IN FRENCH COMPANIES

None

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:

July 06, 1959

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

May 23, 2014

Date of most recent

reappointment:

May 29, 2020

End of term of office:

2026 General Meeting

Mark FOUQUET

DIRECTOR

Non-independent: member of the Guerbet family

CAREER HISTORY

- Corporate Secretary, assisting with and arranging industrial and financial partnerships at MGF Easybike (2011-2016)
- Financial engineering key account manager for Paris and Abidjan at Maréchal & Associés Finance (2010-2011)
- CEO and Partner, consultant in financial engineering and arranging financial deals at FG Partner SAS (2007-2010)
- Consultant in financial engineering and arranging financial deals at Simpl-Fi (since 2003)
- Seller of French and European equities to institutional clients and IPO financing at KBC Securities France (1999-2003)

EDUCATION

- European Business School

CURRENT OFFICES HELD

At Guerbet

- Director
- Audit Committee member
- Member of the Strategy and Innovation Committee

2023 meeting attendance rate

Board of Directors: 100%

Audit Committee: 100%

Strategy and Innovation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- CEO of Simpl-Fi

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

- Lucibel SA (listed on Euronext Growth, Paris), end of term June 30, 2021

Foreign companies

None



Date of birth:

August 04, 1976

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

May 19, 2017

Date of most recent
reappointment:

2023 General Meeting

End of term of office:

2029 General Meeting

Éric GUERBET

DIRECTOR

Non-independent: member of the Guerbet family

Secretary of the Shareholder Agreement

CAREER HISTORY

- Head of the IT Global Regulatory & Transaction Reporting program at BNP Paribas – Corporate & Institutional Banking – Global Markets, Paris (since June 2021)
- Head of the IT Global P&L (Profit & Loss) program at BNP Paribas – Corporate & Institutional Banking – Global Markets, Paris (2016-2021)
- Head of the IT Murex BO Settlement/Interest Rate & Credit Derivatives program at BNP Paribas – Corporate & Institutional Banking – Global Markets, Paris (2010-2015)
- IT Project Manager at BNP Paribas, London (2003-2009)
- IT Project Manager at BNP Paribas, Singapore (2000-2003)

EDUCATION

- Information Systems Engineer (ESME engineering school)

CURRENT OFFICES HELD

At Guerbet

- Director
- Member of the Strategy and Innovation Committee
- Member of the Appointments and Compensation Committee

2023 meeting attendance rate

Board of Directors: 100%

Appointments and Compensation Committee: 100%

Strategy and Innovation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- Director of holding company Hakea SAS

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:
March 30, 1982

Business address:
Guerbet
15, rue des Vanesses
93420 Villepinte – France

First appointment to the Board:
May 29, 2015

Date of most recent
reappointment:
May 28, 2021

End of term of office:
2027 General Meeting

Céline LAMORT

DIRECTOR

Non-independent: member of the Guerbet family

CAREER HISTORY

- Industrial strategy and project management consulting (since 2021)
- Director of Operations at Cartamundi (2021-2022)
- Head of Strategic Projects at Barry Callebaut (2016-2021)
- Head of Operations and other operational responsibilities (Production, Maintenance, Supply Chain, and Continuous Improvement) at Royal DSM N.V. (2006-2016)

EDUCATION

- IFA/Sciences Po Paris – Company Director Certificate
- Unitech International Program
- École Nationale Supérieure de Chimie de Paris (ENSCP)

CURRENT OFFICES HELD

At Guerbet

- Director
- Member of the Audit Committee (until May 26, 2023)
- Member of the Strategy and Innovation Committee (from May 26, 2023)
- Member of the Ethics, Governance, and CSR Committee

2023 meeting attendance rate

Board of Directors: 100%
Audit Committee: 100%
Strategy and Innovation Committee: 100%
Ethics, Governance, and CSR Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- Director of holding company Hakea SAS

CURRENT OFFICES HELD IN FOREIGN COMPANIES

- Director of C.C.G.M Projects BV

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:

June 27, 1976

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

May 27, 2016

Date of most recent

reappointment:

May 20, 2022

End of term of office:

2028 General Meeting

Nicolas LOUVET

DIRECTOR

Non-independent: member of the Guerbet family

CAREER HISTORY

- Director of EMEA Component Sales, Stellantis BU, at Yazaki Corporation (since 2022)
- Director of Global Value Improvement, Stellantis BU, at Yazaki Corporation (since 2021)
- Head of the BU Improvement Plan at Yazaki Europe Limited (2013-2020)
- Head of Component Key Accounts at Yazaki Europe Limited (2012-2015)
- Head of Strategic Projects at Yazaki Europe Limited (2007-2012)
- R&D Engineer, then Project Manager at Valeo Éclairage et Signalisation (2001-2007)

EDUCATION

- Engineer, graduate of UTC (Université de Technologie de Compiègne)

CURRENT OFFICES HELD

At Guerbet

- Director
- Chairperson of the Ethics, Governance, and CSR Committee
- Member of the Strategy and Innovation Committee (until May 26, 2023)

2023 meeting attendance rate

Board of Directors: 89%

Strategy and Innovation Committee: 100%

Ethics, Governance, and CSR Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- Director of holding company Hakea SAS

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:
June 16, 1960

Business address:
Guerbet
15, rue des Vanesses
93420 Villepinte – France

First appointment to the Board:
May 28, 2021

**Date of most recent
reappointment:**
Not applicable

End of term of office:
2027 General Meeting

Marc MASSIOT

DIRECTOR

Non-independent: member of the Guerbet family
Treasurer of the Shareholder Agreement

CAREER HISTORY

- Founding Director, Enaxante, Business consulting in the healthcare sector (since 2007)
- Director, Espace Santé Saint-Bernard – Physiotherapy, Osteopathy, Sports Health (since 2017)
- Chief Executive Officer, Indiba France, medical device manufacturing (2013-2016)
- Director of Training and Evaluation, Executive Committee member, LPG System, medical device manufacturer (2000-2007)
- Member of the high council of paramedical professions (MK Commission) with the French ministry of health (1996-2000)
- Instructor, Institut de Formation des Cadres de Santé at CRF and in the Paris and Rouen FMK
- Publications of books, articles, and communications in health and human sciences

EDUCATION

- EM Lyon Business School – ILL: General Management & Budget program (2007)
- Research master's degree in Education Sciences, Université de Provence, Aix-Marseille 1 (2006)
- Health executive diploma (1993), osteopathy diploma (1992), State diploma in physiotherapy (1984)

CURRENT OFFICES HELD

At Guerbet

- Director
- Chairperson of the Strategy and Innovation Committee (since May 26, 2023)
- Member of the Ethics, Governance, and CSR Committee

2023 meeting attendance rate

Board of Directors: 100%

Chairperson of the Strategy and Innovation Committee: 100%

Ethics, Governance, and CSR Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- Chairperson of holding company Hakea SAS
- Manager of Société Enaxante SARL

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:

August 27, 1961

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

May 24, 2013

Date of most recent
reappointment:

May 24, 2019

End of term of office:

2025 General Meeting

Claire MASSIOT-JOUAULT

DIRECTOR

Non-independent: member of the Guerbet family

CAREER HISTORY

- Head of Operational Excellence and Lean Manufacturing at Sanofi R&D (2016-2020)
- Head of Clinical and Medical Quality at Sanofi R&D (2010-2015)
- Quality assurance/good clinical practices and drug safety monitoring at Sanofi R&D (1992-2010)
- Biotech research at Advanced Magnetix, Cambridge, United States (1990-1991)
- Clinical research, Glaxo Laboratories (1989-1990)
- Hospital pharmacy intern at *Assistance publique des hôpitaux de Paris* (Paris public hospital authority) (1985-1989)

EDUCATION

- Advanced diploma in hospital pharmacy – Paris V
- Master's degree in biological and medical sciences – Paris VI
- PhD in pharmacy – René-Descartes University – Paris V

CURRENT OFFICES HELD

At Guerbet

- Director
- Member of the Strategy and Innovation Committee

2023 meeting attendance rate

Board of Directors: 89%

Strategy and Innovation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

None

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

- Manager of RFDC non-commercial partnership (2022)

Foreign companies

None



Date of birth:

July 02, 1971

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

October 27, 2020

Date of most recent
reappointment:

Not applicable

End of term of office:

October 26, 2026

Jean-Sébastien RAYNAUD

DIRECTOR REPRESENTING THE EMPLOYEES

Non-independent: Guerbet employee

CAREER HISTORY

- Global Head of Medical Affairs in medical imaging and Head of Medical Affairs EMEA Guerbet Group since 2021 and APAC (since September 2023)
- Head of Medical Affairs France, Guerbet France (2019-2020)
- International Scientific Advisor and Head of the KOL International network, Guerbet S.A. (2012-2019)
- MRI Specialist in the Research and Innovation Division, Guerbet S.A. (2002-2012)
- Road construction and maintenance engineer, LCPC, on analysis of materials by MRI, Paris (2000)

EDUCATION

- Doctorate in Physics in Medical Imaging at Institut de Myologie, Pitié-Salpêtrière, Paris

CURRENT OFFICES HELD

At Guerbet

- Director representing the employees
- Member of the Appointments and Compensation Committee

2023 meeting attendance rate

Board of Directors: 100%

Appointments and Compensation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

None

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None



Date of birth:

September 24, 1972

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

First appointment to the Board:

May 19, 2017

Date of most recent
reappointment:

2023 General Meeting

End of term of office:

2024 General Meeting

Thibault VIORT

DIRECTOR

Independent

CAREER HISTORY

- CEO New Business of AccorHotels and member of the Executive Committee (2018-2020)
- Chief Disruption and Growth Officer of AccorHotels (2016-2018)
- Creation and development of several companies (Novao, Actimos, LaTeam AI, BloomFlow, and Evotis)
- Teaching at École Polytechnique and Sciences Po Paris
- Mentoring for several start-ups (Openclassrooms, Des bras en plus)

EDUCATION

- Information Systems Engineer (EPITA 1996)

CURRENT OFFICES HELD

At Guerbet

- Director
- Chairperson of the Appointments and Compensation Committee
- Member of the Strategy and Innovation Committee
- Audit Committee member
- Member of the Ethics, Governance, and CSR Committee

2023 meeting attendance rate

Board of Directors: 100%

Strategy and Innovation Committee: 100%

Audit Committee: 100%

Ethics, Governance, and CSR Committee: 100%

Appointments and Compensation Committee: 100%

CURRENT OFFICES HELD IN FRENCH COMPANIES

- Chairperson of FASAB SASU
- Chairperson of LATEAM AI SAS
- Chairperson of SMACH SAS
- Chairperson of Evotis
- Director, Swile

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

- Chairperson of the Board of Directors of Hotel Homes SAS (end of term in 2019)
- Chairperson of the Board of Directors of NDH SAS (end of term in 2019)
- Chairperson of the Supervisory Board of GEKKO SAS (end of term in 2020)
- Chairperson of the Supervisory Board of VeryChic SA (end of term in 2020)
- Chairperson of Dedge (end of term in 2020)
- Director, CodingGame SA
- Director, Studapart

Foreign companies

None

2.2.1.9 Offices and positions held by executive directors: CEO and Deputy CEO



Date of birth:

July 02, 1968

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

Appointed Chief Executive Officer
of Guerbet:

January 1, 2020

David HALE

CHIEF EXECUTIVE OFFICER

CAREER HISTORY

- Chief Commercial Officer, Guerbet (2018-2019)
- Chairperson of GE Healthcare Digital Imaging and Care Area Solutions
- Management positions in Europe, for the EMEA region, the United States, and Canada at GE Healthcare
- Management of commercial initiatives and services across European companies in GE's Corporate Initiatives Group (2000)
- Product and service management at Milliken Textiles, Eastman Kodak, and Ascom, Switzerland
- Project management at Boston Consulting Group, Germany

EDUCATION

- MBA – Institute of Management Development (IMD), Switzerland
- Degree in industrial and systems engineering – Georgia Institute of Technology (United States)

CURRENT OFFICES HELD

At Guerbet

- Chief Executive Officer (since January 1, 2020)

CURRENT OFFICES HELD IN FRENCH COMPANIES

None

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

- Independent Director of Orpéa (ended December 22, 2023)

Foreign companies

None

The Chief Executive Officer is not a member of the Board of Directors.



Date of birth:

October 29, 1968

Business address:

Guerbet

15, rue des Vanesses

93420 Villepinte – France

Appointed Deputy CEO and Chief Pharmacist:

March 24, 2021

Philippe BOURRINET

DEPUTY CHIEF EXECUTIVE OFFICER

Chief Pharmacist

Senior VP of Development, Medical & Regulatory Affairs

CAREER HISTORY

Guerbet:

- Senior VP of Development, Medical & Regulatory Affairs (since January 2020)
- Chief Pharmacist – Deputy Chief Executive Officer (since March 2021)
- Head of Group Regulatory Affairs (2006-2019)
- Head of Preclinical Development (1998-2019)
- Development Project Manager (1997-2005)

UPSA:

- Head of Pharmacokinetics, then Biological Screening (1994-1997)
- Study Director in Pharmacokinetics (1993-1994)

Other:

- Honorary Chair of the French Society of Toxicology

EDUCATION

- Doctorate in Pharmacy – Université Paris V (1992)
- DSP in Biodynamics and Biopharmacy – Université Paris V (1993)
- Postgraduate diploma in Pharmacokinetics and Metabolism of Medicines – Université Paris XI (1993)

CURRENT OFFICES HELD

At Guerbet

- Deputy Chief Executive Officer
- Chief Pharmacist

CURRENT OFFICES HELD IN FRENCH COMPANIES

None

CURRENT OFFICES HELD IN FOREIGN COMPANIES

None

OFFICES HELD OVER THE LAST FIVE YEARS

French companies

None

Foreign companies

None

2.2.2 Operation and powers of the Board of Directors

In accordance with article L. 225-35 of the French Commercial Code, the Board of Directors sets the guidelines for the company's activity and oversees their implementation in keeping with its corporate interest, taking into consideration the social, environmental, cultural, and sporting implications of its activity. Within the powers expressly granted by law to General Meetings of Shareholders and within the limits of the company's purpose, it deals with all issues affecting the company's operations and regulates the company's affairs.

It performs the controls and verifications it deems appropriate.

All Directors each receive all the information necessary to carry out their duties and can obtain the documents that they deem useful for this purpose.

The Board of Directors grants the authorizations provided for by law (in particular those under the provisions of article L. 225-38 of the French Commercial Code).

The Board of Directors can decide to create Committees (and determine the composition and powers thereof), which carry out their activity under its responsibility, but it cannot delegate the powers that are attributed to it by law or the articles of association or reduce or limit the powers of the Board of Directors.

The Board of Directors can grant special mandates to one or more of its members for one or more specific purposes.



FIGURES ON THE BOARD OF DIRECTORS



In 2023, the Board of Directors met eight times with an average attendance rate of 97%.

The following people participated in these meetings:

- the Directors;
- the Secretary of the Board;
- one representative of the Central Social and Economic Committee in an advisory capacity, except in the case of Board of Directors meetings organized without the executive;
- the CEO.

Since the start of 2024, the Board of Directors has met three times, including to review the annual financial statements for the 2023 fiscal year. In 2023, one meeting was held without the CEO in attendance.

2.2.3 Organization of the work of the Board of Directors and the Committees

The Board of Directors met eight times in 2023 and worked on:

- financial topics (examination and approval of accounts, budget);
- strategy and external growth topics;
- monitoring of the company's risks;
- appointment and human resources topics;
- corporate social responsibility topics;
- the Group's Climate Strategy;
- topics related to cybersecurity and the company's information systems.

The Board of Directors relies on the work of four Committees: the Strategy and Innovation Committee, the Appointments and Compensation Committee, the Audit Committee, and the Ethics, Governance, and CSR Committee.

The Committees are forums for analysis and consideration to prepare for the discussions of the Board of Directors. They issue opinions and recommendations but are not decision-making bodies. They report on their work at each meeting of the Board of Directors. The Directors have a digital platform for secure access to the documents necessary to perform their duties for the Board of Directors and its Committees.

COMPOSITION OF THE COMMITTEES AT DECEMBER 31, 2023

AUDIT COMMITTEE

Didier Izabel* (Chair)

Pascale AUGER*
Carine DAGOMMER
Mark FOUQUET
Thibault VIORT*

STRATEGY AND INNOVATION COMMITTEE

Marc Massiot (Chair)

Mark FOUQUET
Éric GUERBET
Didier IZABEL*
Céline LAMORT
Claire MASSIOT-JOUAULT
Thibault VIORT*

APPOINTMENT AND COMPENSATION COMMITTEE

Thibault Viort* (Chair)

Pascale AUGER*
Carine DAGOMMER
Éric GUERBET
Didier IZABEL*
Jean-Sébastien RAYNAUD

ETHICS, GOVERNANCE, AND CSR COMMITTEE

Nicolas Louvet (Chair)

Céline LAMORT
Marc MASSIOT
Thibault VIORT*

* Independent Director.

2.2.3.1 Audit Committee

The Committee met five times in 2023. It is chaired by Didier Izabel, Independent Director, and is composed of five members. The Internal Regulations of the Board of Directors set the minimum number of Independent Directors on the Committee and provide that the Chairperson of the Audit Committee must be an Independent Director. Note that the Afep-Medef Code recommends that at least two thirds of the Committee's members should be Independent Directors. This Committee composition rule was not adopted because of the significant proportion of members representing the Shareholder Agreement on the Board. However, with three Independent Directors, the Audit Committee is 60% independent.

In accordance with article L. 823-19 of the French Commercial Code, the Audit Committee, under the sole collective responsibility of the Board's members, oversees issues relating to (i) the preparation and examination of the parent-company financial statements and, where applicable, the consolidated financial statements; (ii) the independence and objectiveness of the Statutory Auditors, and (iii) the effectiveness of the internal control, audit, and risk management systems. It makes a recommendation to the Board of Directors on the Statutory Auditors, whose appointment and reappointment will be proposed to the General Meeting. The Committee hears from the CEO, the CFO, and the Statutory Auditors. It also regularly heard from the Director of Internal Control, the Heads of Internal Audit and Internal Control, and the Head of Risks.

In 2023, the Committee devoted its meetings in particular to:

- an examination of the company's financial statements;
- internal audit topics (review of the previous year's internal audit, follow-up on the audit recommendations, and presentation of internal audit reports);

- development and improvement of internal control;
- analysis and control of the Group's risks;
- the audits and reports, review of independence, and reappointment of the Statutory Auditors.

The Audit Committee's attendance rate in 2023 was 100%.

2.2.3.2 Strategy and Innovation Committee

This Committee met five times in 2023. Until May 26, 2023, it was chaired by Marie-Claire Janailhac-Fritsch, Chairperson of the Board of Directors and Independent Director. It has been chaired since May 26, 2023, by Marc Massiot, a Guerbet family member serving as a Non-Independent Director. It has seven members.

The mission of the Strategy and Innovation Committee is to prepare the work of the Board of Directors on topics of major strategic interest, in particular the examination of medium-term strategic directions, changes in the competitive environment, the annual budget, the industrial strategy, Innovation and R&D priorities and projects, investment, divestment, cooperation, and external growth operations, stock market financial strategies, and preserving its main financial balances. The agendas notably included:

- the 2024-2028 medium-term plan;
- the 2024 budget;
- business development plans;
- a review of the Group's R&D pipeline;
- the Augmented Intelligence strategy;
- the Group's growth in certain regions;
- discussions with healthcare professionals on innovation topics.

The Strategy and Innovation Committee's attendance rate in 2023 was 100%.

Since July 2023, the Strategy and Innovation Committee has set up three working groups to make recommendations to the Committee on issues of importance to the Group, in particular in the fields of innovation, sales, and industry.

2.2.3.3 Appointments and Compensation Committee

The Committee met five times in 2023. It is chaired by Thibault Viot, Independent Director, and is composed of six members.

The current proportion of Independent Directors on this Committee is 50%. The Afep-Medef Code's recommendation of having Independent Directors constitute a majority of the Committee members was therefore applied. A Director representing the employees is a member of this Committee, as recommended by the Afep-Medef Code.

The role of the Appointments and Compensation Committee is to make recommendations or proposals to the Board of Directors on:

- appointment and reappointment of Directors and appointment, dismissal, and compensation of the Chief Executive Officer and the Deputy Chief Executive Officers;
- the Group's compensation policy and long-term compensation policy;
- the compensation policy for corporate officers;
- succession planning for the Chief Executive Officer, senior executives, and people holding key positions within the Group.

The Committee specifically:

- made recommendations for the appointment of a new Independent Director who, if elected by the General Meeting, would be appointed Chairperson of the Board in 2024;
- reviewed the priorities of the Human Resources Department's road map;
- proposed a performance bonus share issue plan;
- revised the succession plan for the CEO and members of the Executive Committee;

- discussed the qualification as Independent Director in view of the criteria of the Afep-Medef Code.

The Appointment and Compensation Committee's attendance rate in 2023 was 100%.

2.2.3.4 Ethics, Governance, and CSR Committee

The Committee met four times in 2023. It is chaired by Nicolas Louvet, Non-Independent Director, and is composed of five members.

This Committee prepares the work of the Board of Directors with regard to ethics, governance, and CSR within the Group. As such, the Committee handles and monitors all issues relating to:

- consistency of the company's values, actions, and projects with social, legal, and regulatory standards;
- management integrity;
- definition of and compliance with good governance rules;
- prevention of corruption and fraud and compliance with the ethics charter;
- the company's articles of association and the Internal Regulations of the Board of Directors;
- the CSR strategy and the implementation of CSR actions.

In general, this Committee also ensures that the Board and the Board's Committees are operating effectively.

The agendas covered:

- the Group's draft Climate Strategy;
- progress on the Group's CSR road map;
- follow-up on the implementation of CSRD regulations within the Group;
- energy restraint challenges and plans;
- compliance issues, including relationships with healthcare professionals;
- assessment of the Group Alert Line;
- composition of the Committees of the Board of Directors.

The Ethics, Governance, and CSR Committee's attendance rate in 2023 was 100%.

2.2.4 Assessment of the Board of Directors and its Committees

In accordance with the provisions of its Internal Regulations and the Afep/Medef Code, the Board of Directors conducts an annual self-assessment and, every three years, an external assessment. The purpose of this exercise is to assess the Board's ability to meet the expectations of the Shareholders who have entrusted it with the managing the company by reviewing its composition, organization, and operation, as well as the four Committees that it has set up.

The previous assessment, conducted for the 2020 fiscal year, was formalized by an external service provider. The Board of Directors therefore decided to use this practice again for the 2023 fiscal year.

This formal assessment, launched in September under the guidance of the Chairperson of the Board and the Chairperson of the Ethics, Governance, and CSR Committee, was conducted on the basis of a documentary analysis (articles of association, the Board's Internal Regulations, records, and minutes of meetings of the Board and its Committees) and individual interviews with each Director according to an interview guide submitted to them in advance, as well as interviews with the Work Council's representative on the Board of Directors, the Secretary of the Board, the Chief Executive Officer, and the Chief Financial Officer of the Group.

An assessment report on these interviews was drafted by the external service provider and distributed to all the Directors. The results of this assessment were presented to the Ethics, Governance, and CSR Committee on December 14, 2023, and to the Board of Directors on January 26, 2024.

The findings of the formal assessment highlighted a number of strengths, including:

- a generally positive assessment of the functioning of the Board of Directors and its four Committees with an indication of maturity;
- a commitment to the highest standards of good governance and continuous improvement;
- recognition of the contribution of the Board's secretarial function;
- the quality of the Committees' work; and
- the strong involvement of the Board's Chairperson and the Committee Chairpersons in ensuring the transition with the previous Chairperson and supporting changes in governance.

However, it noted some areas for improvement, to which the Board of Directors is fully committed:

- increasing discussions at Board meetings;
- considering the composition of the Board of Directors, its Committees, and the generational transition process;
- continuing to adapt the duties assigned to the Board's four Committees and ensuring that the Board, its Committees, and the General Management work together more closely;
- shareholder dialog also remains an important area for improvement for the Group.

2.3 GENERAL MANAGEMENT

2.3.1 Chief Executive Officer

David Hale, appointed on January 1, 2020, served as Chief Executive Officer, a position separate from Chairperson of the Board of Directors, throughout the 2023 fiscal year.

In accordance with the provisions of the French Commercial Code and the company's articles of association, Guerbet's CEO is appointed by the Board of Directors on the proposal of the Appointments and Compensation Committee and may be dismissed at any time by the Board of Directors.

Pursuant to article L. 225-56 of the French Commercial Code, the CEO has the broadest powers to act in all circumstances on the company's behalf. The CEO's powers are exercised within the scope of the corporate purposes and subject to those powers expressly granted to General Meetings of Shareholders and to the Board of Directors by law. The CEO represents the company in its relations with third parties.

The provisions relating to the CEO's compensation, detailing the rules and principles for determining the CEO's compensation, as well as the compensation paid and awarded during the 2023 fiscal year are specified in section 2.4 of this report.

2.3.2 Deputy CEO – Chief Pharmacist

On the proposal of the CEO, the Board of Directors may appoint a Deputy CEO to assist in the CEO's duties. Pursuant to articles L. 5124-2 and R. 5124-34 of the French public health code, the Company has a Chief Pharmacist with the role of Deputy CEO, whose duties are performed with the same authority as the CEO with respect to third parties.

In accordance with the provisions of the law on simplification, clarification, and modernization of corporate law of July 19, 2019, amending article L. 225-53 of the French Commercial Code, Article 14 of the Company's articles of association was amended to specify that in the event of the appointment of a Deputy Chief Executive Officer, the Board of Directors shall determine a selection process that guarantees the presence of at least one person of each sex among the candidates until the end of the process.

This officer may be dismissed at any time by the Board of Directors.

Philippe Bourrinet was appointed Deputy Chief Executive Officer – Chief Pharmacist by the Board of Directors on March 24, 2021.

The Deputy CEO receives compensation for performing the duties of Chief Pharmacist. Philippe Bourrinet has an employment contract for which he receives compensation as Head of Development and Medical and Regulatory Affairs.

The provisions relating to the Deputy CEO's compensation, detailing the rules and principles for determining the Deputy CEO's compensation, as well as the compensation paid and awarded during the 2023 fiscal year are specified in section 2.4 of this report.

2.3.3 Executive Committee

Guerbet's Executive Committee is chaired by the Chief Executive Officer and includes the Directors of the main operational and financial functions of Guerbet. The Executive Committee meets once a month.

This body supports the Chief Executive Officer in implementing the strategy defined by the Board of Directors and provides operational guidance for decision-making. Its main tasks are as follows:

- determining the Group's budget lines according to the medium-term strategic priorities determined with the Board of Directors;

- proposing annual qualitative and quantitative objectives to the Board of Directors;
- guiding and monitoring operational performance;
- giving opinions on the company's directions and deciding on reallocations of resources if necessary;
- managing critical risks.

As of December 31, 2023, the members of the Executive Committee are:



Equality on the Executive Committee

Guerbet is committed to applying a gender equality policy in its Executive Committee and more broadly within its senior management. The Executive Committee is currently composed of 33% women and 67% men.

2.4 COMPENSATION OF CORPORATE OFFICERS

2.4.1 Compensation policy for corporate officers

The information set forth below is part of the compensation policy for corporate officers established in accordance with article L. 225-37-2 of the French Commercial Code. This policy describes all the components of the fixed, variable, and, where applicable, exceptional compensation of Guerbet's corporate officers, including its Chairperson of the Board of Directors, its Chief Executive Officer, its Deputy Chief Executive Officer, and its Directors, and explains the decision-making process for its determination, review, and implementation.

The payment and award in year N of the variable components of compensation for fiscal year N-1, which are set out below, are conditional on the approval by the Ordinary General Meeting in year N of the components of compensation for the corporate officer in question under the conditions provided for in article L. 225-100 of the French Commercial Code.

The compensation policy for corporate officers is determined by the Board of Directors on the basis of recommendations made by the Appointments and Compensation Committee and is reviewed annually. No members of Guerbet's Appointments and Compensation Committee are corporate officers. Independent Directors constitute a majority of the members of this Committee, which is chaired by one of them, as recommended in article 18.1 of the Afep-Medef Code on the composition of this Committee. A Director representing the employees is a member of this Committee, as recommended by the Afep-Medef Code.

The Committee may call upon external advisors specializing in executive compensation.

The Board of Directors ensures that the compensation policy is appropriate for the company's strategy and context and aims to promote its performance and competitiveness in the short, medium, and long term. It is based on the following principles:

- compliance with the recommendations of the Afep-Medef Code;
- consistency with compensation policies within the market in order to remain competitive. Benchmarks are periodically produced to measure compensation levels and structures against panels of comparable companies in the healthcare sector;
- respecting the principle of balance between the various components of compensation (annual fixed, annual variable, and multiyear variable) and in light of the compensation policy in force in the company;

- a concern for attractiveness and retention to attract, motivate, and retain talent, while taking into account the requirements of stakeholders, including Shareholders, in terms of social and environmental responsibility, transparency, and performance;
- an alignment of performance conditions with the company's interests and objectives in terms of sustainable and profitable growth in the short, medium, and long term;
- transparency and clarity of the compensation policy.

The Appointments and Compensation Committee ensures that these principles are appropriately applied in its recommendations to the Board of Directors, in terms of determining the compensation policy and its implementation, when the actual amounts of the compensation packages are determined.

The compensation policy for corporate officers, especially their variable compensation, is part of the company's short-term, medium-term, and long-term strategy. The objectives for the Chief Executive Officer are based on the company's medium-term and long-term strategic plans. The annual variable compensation criteria are the short-term (one year) version of the objectives of the medium-term and long-term strategic plans. The Chairperson of the Board does not receive variable compensation. The Deputy Chief Executive Officer may receive variable compensation under the employment contract and not for the corporate office. The performance criteria for determining multiyear variable compensation are set out in the medium-term and long-term strategic plans.

The criteria for awarding compensation are determined in order to be consistent with the corporate interest of Guerbet Group and to help ensure its sustainability. The compensation of corporate officers also depends on their responsibilities, the results achieved, and the work completed. It depends, particularly for the Chief Executive Officer and the Deputy Chief Executive Officer, on the type of duties entrusted to them or on exceptional situations.

In addition, to make sure that the compensation is competitive, the principle of comparability is also applied so that the awarded compensation can be compared with the reference market of healthcare. A benchmark was established in 2022 for the Chief Executive Officer and the Chairperson of the Board of Directors. Changes in the compensation of corporate officers are decided in accordance with the labor policy and the compensation policy applicable to all employees, including other executives and employees of the company.

2.4.1.1 Compensation policy for the Chairperson of the Board of Directors

Compensation structure

The Chairperson of the Board of Directors receives total compensation consisting of:

- fixed compensation for serving as Chairperson;
- compensation for serving as a Director;
- group welfare insurance and health insurance plans;
- a supplementary pension plan.

Consistent with the non-executive role and in line with market practices in France, the Chairperson of the Board of Directors does not receive any short-term annual variable compensation or multiyear variable compensation, in cash or in shares, tied to the performance of the company or the Group and is not part of any long-term incentive plan.

In accordance with the recommendations of the Afep-Medef Code, the fixed compensation of the Chairperson of the Board of Directors, a corporate officer, is reviewed periodically. It may be subject to change according to changes in the company's scope as well as market compensation trends so that it remains competitive.

Annual fixed compensation

The fixed annual compensation of the Chairperson of the Board of Directors is determined in view of market studies and is awarded as payment for the responsibilities inherent in this type of corporate office.

Accordingly, the following factors are taken into account in its determination:

- the responsibilities and duties specific to this corporate office, as provided for by law and the Internal Regulations of the Board of Directors, which notably involve ensuring that the company is properly governed and that its governance bodies (Board of Directors and its Committees and the General Meeting of Shareholders) function effectively;
- the skills, experience, expertise, and professional profile of the holder of this position;
- market benchmarks on compensation granted to a non-executive Chairperson in comparable companies of the healthcare market in France.

The compensation policy may be changed during the term of office and prior to reappointment if there is a significant change in the company's scope and in the responsibilities entailed by this position or if it diverges further away from the

benchmark market. In such specific situations, the nature of any adjustment to the fixed compensation and the associated reasons are publicly disclosed.

For the 2023 fiscal year, the annual fixed compensation of the Chairperson of the Board of Directors was maintained at €110,000.

Annual fixed compensation for 2024

On the proposal of the Appointments and Compensation Committee and after deliberation by the Board of Directors on March 20, 2024, an increase in the annual fixed compensation of the Chairperson of the Board of Directors to €130,000 for the 2024 fiscal year is proposed, subject to approval by the Annual General Meeting called to approve the financial statements for the 2023 fiscal year to be held on May 24, 2024.

Compensation for serving as a Director

As a Director, the Chairperson of the Board of Directors receives compensation for this role. Details of this compensation (fixed portion and variable portion) are provided in section 2.4.2. below.

Benefits in kind

Group welfare insurance and health insurance plans

Since 2015, the Chairperson of the Board of Directors has been a beneficiary under the following plans, subject to the same conditions applicable to all employees of the Group's French entities:

- an "incapacity, disability, or death" benefit plan;
- a supplementary health insurance plan.

Supplementary pension plan

In accordance with the decision of the Board of Directors on March 27, 2018, the Chairperson of the Board of Directors is covered by Guerbet S.A.'s funded supplementary pension plan ("article 83") starting in 2018, subject to the same conditions as Guerbet's executives.

Other components of compensation

The Chairperson of the Board of Directors does not have access to a company vehicle.

He will not receive severance pay if this appointment is terminated.

2.4.1.2 Compensation policy for the Chief Executive Officer (executive corporate officer)

Compensation structure

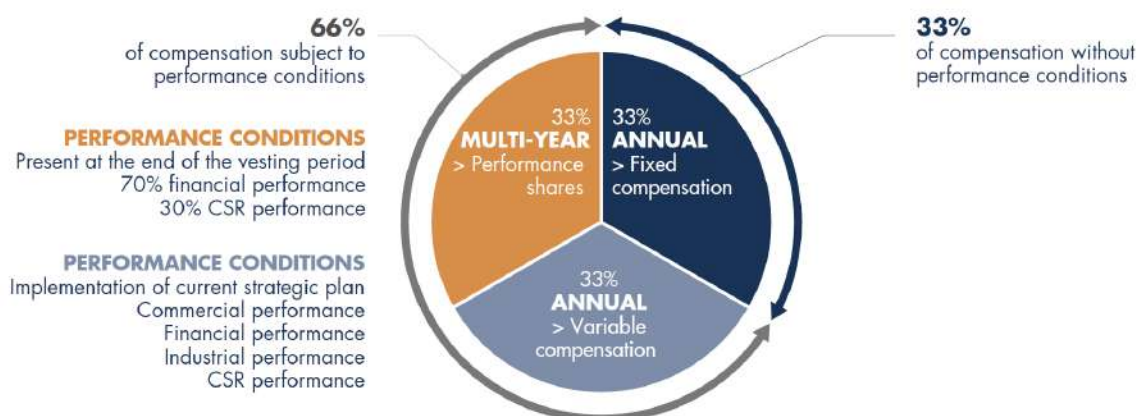
The compensation policy for the Chief Executive Officer aims to strike a balance between long-term and short-term performance to promote the company's development for all its stakeholders.

As such, in order to safeguard their interests, the company endeavors to maintain consistency between the Chief Executive

Officer's total compensation and the evolution of the company's performance.

The structure of the Chief Executive Officer's compensation is broken down as follows:

- 1/3 annual fixed compensation, not subject to performance conditions;
- 1/3 annual variable compensation, subject to performance conditions;
- 1/3 multiyear variable compensation, subject to performance conditions.



Annual fixed compensation

The Chief Executive Officer's annual fixed compensation is awarded as payment for the responsibilities inherent in such a position.

The following factors are among those considered:

- the level and complexity of the duties and responsibilities attributed to this position;
- the skills, experience, expertise, and professional profile of the holder of the position;
- market analyses and studies on the compensation of international executives in comparable companies in the healthcare industry with their head office in France to ensure attractive, competitive compensation levels.

For the 2023 fiscal year, the Chief Executive Officer's annual fixed compensation was maintained at €469,500.

Annual fixed compensation for 2024

On the proposal of the Appointments and Compensation Committee and after deliberation by the Board of Directors on March 20, 2024, the Chief Executive Officer's annual fixed compensation for the 2024 fiscal year has been maintained at €469,500, subject to approval by the Annual General Meeting called to approve the financial statements for the 2023 fiscal year to be held on May 24, 2024.

Annual variable compensation

Calculation

The Chief Executive Officer's annual variable compensation is intended to encourage the achievement of the annual performance objectives determined by the Board of Directors in line with the implementation of the company's strategy. Provided that all the applicable objectives are achieved, this variable compensation equals 100% of the annual fixed compensation. If the objectives are exceeded, it may amount to a maximum of 150% of the annual fixed compensation.

Its calculation is based on quantitative and qualitative criteria that cover Guerbet's short-term strategy and objectives, in particular the implementation of the current strategic plan, Guerbet's financial, industrial, and commercial performance, as well as corporate social responsibility.

The financial performance objectives based on financial indicators are determined in a specific manner on the basis of the budget pre-approved by the Board of Directors and are subject to the performance thresholds mentioned above.

The annual variable compensation is calculated and set by the Board of Directors following the close of the fiscal year to which it applies. On the recommendation of the Appointments and Compensation Committee, the Board of Directors determines the various objectives, their weightings, and the expected performance levels. It thus sets:

- the trigger threshold below which no variable compensation is paid;
- the variable compensation target level, corresponding to the amount due when each objective is achieved; and
- the criteria for assessing quantitative and qualitative performance.

Accordingly:

- 0% of the premium is paid if the achievement of the objectives is below a minimum threshold;
- 100% of the premium is paid if the objectives are achieved;
- 150% of the premium may be paid if these objectives are exceeded.

Payment condition

In accordance with French law, payment of the compensation is subject to approval at the Ordinary General Meeting.

Appointment to or termination of office

If a new CEO is appointed or the existing CEO's appointment is terminated during the course of a year, the same principles as above will apply on a pro-rata basis for the period during which the CEO in question actually holds the office.

2024 Objectives

The Chief Executive Officer's variable compensation for 2024 will be based on quantitative, financial, and non-financial objectives tied to the progress of key projects for the Group's development, as well as on qualitative criteria relating to the Group's challenges. Regarding the quantitative objectives, the details of the performance conditions are as follows:

1. company performance (sales, EBITDA, free cash flow);
2. corporate social responsibility with the objectives of achieving a Safety Index (including a reduction in the number of incidents recorded at the Group level), reducing relative energy and water consumption, and providing the staff with professional development opportunities;
3. progress of the company's key and strategic projects.

Multiyear variable compensation

Objective

In 2016, Guerbet's Board of Directors introduced the issue of performance shares in the Group's compensation policy. The Board of Directors considers that this mechanism, which also applies to other key positions within the company, is particularly suited to the position of Chief Executive Officer in view of the role's expected level of direct contribution to the company's medium-term and long-term performance in line with the objectives communicated to the market. This compensation helps to increase the corporate officer's motivation and loyalty while aligning the corporate officer's interests with those of the company's Shareholders and its corporate interest.

System and conditions

Guerbet's multiyear compensation system currently consists solely of the issue of performance shares.

On the recommendation of the Appointments and Compensation Committee, the Board of Directors defines the performance conditions pertaining to compensation in performance shares for all beneficiaries of Guerbet and its subsidiaries throughout the world. Failure to meet the performance conditions over the assessment period results in the loss of all or part of the initial issue.

These issues are also subject to a condition of presence in the Group at the end of the vesting period and entail an obligation for the Chief Executive Officer to hold these shares until the term of office ends (see below). On the proposal of the Appointments and Compensation Committee, the Board of Directors validates the achievement of the defined criteria at the end of the vesting period.

Compulsory holding period

Pursuant to the provisions of article L. 225-197-1 of the French Commercial Code and as determined by the Board of Directors, the CEO holds 20% of the issued shares in registered form for their entire term of office.

In the event of retirement upon reaching the legal retirement age before the end of the performance share vesting period, the CEO continues to benefit from the performance shares initially issued but remains subject to the other conditions of the plan, including performance conditions. In the event of a departure from the Group for reasons other than retirement, the CEO loses the benefit of the issued performance shares.

Welcome compensation

Welcome compensation may be granted to a new Chief Executive Officer arriving from a company outside the Group. This is intended to compensate for the loss of benefits previously enjoyed. This compensation and its payment are disclosed in the company's annual report.

It may take several forms. In particular, it may be granted in the form of shares, of which 20% fully vested must be held in registered form until leaving office.

Exceptional compensation

Exceptional compensation may also be awarded in exceptional circumstances.

Benefits in kind

Group welfare insurance and health insurance plans

Under the conditions applicable to all employees of the Group's French entities, the Chief Executive Officer is covered by the following:

- an "incapacity, disability, or death" benefit plan;
- a supplementary health insurance plan.

Pension commitments

The Chief Executive Officer is covered by a pension plan offered pursuant to "article 83." This is a mandatory Group insurance policy for the executive category, governed by the French Insurance Code and in particular articles L. 141-1 et seq. It is a retirement savings policy within the meaning of article 107 of law No. 2010-1330 of November 9, 2010. Contributions are based on the annual gross compensation of policyholders for the insurance period in question, limited to Social Security bracket C. The contribution rate is exclusively for the employer. The 4.5% employer contributions are monthly. There are no tax charges associated with the above policies.

Unemployment insurance coverage

Guerbet has taken out a private unemployment insurance policy with the *Association pour la garantie sociale des chefs et dirigeants d'entreprises* – GSC (French association of unemployment insurance for corporate officers) enabling the Chief Executive Officer to receive compensation in the event of lost employment.

Company vehicle

The Chief Executive Officer has use of a company vehicle.

Legal and tax assistance

If necessary, the Chief Executive Officer may receive assistance for the preparation of personal tax returns with French and foreign authorities (for example, US authorities).

Directorship compensation

The Chief Executive Officer, who is also a Director, receives compensation for that role, including for participating in meetings of the Board of Directors.

Currently, the Chief Executive Officer is not a Director and therefore does not receive any compensation in this respect.

Compensation upon leaving office

The Chief Executive Officer has no commitment from the company pertaining to compensation or benefits owed if the role is ended or changed.

2.4.1.3 Compensation policy for the Deputy Chief Executive Officer (Group Chief Pharmacist)

Annual fixed compensation of the Deputy Chief Executive Officer, Chief Pharmacist

The Deputy Chief Executive Officer receives "Chief Pharmacist" compensation for serving in this role for Guerbet Group. The Appointments and Compensation Committee proposes to the Board of Directors the amount of the Chief Pharmacist premium for the Deputy Chief Executive Officer, which is then submitted to the General Meeting.

The Deputy Chief Executive Officer may also be an employee of the company with an employment contract for the position held. In that case, the Deputy Chief Executive Officer receives annual fixed compensation and annual variable compensation according to the conditions in force for Group employees.

Compensation for 2024

On the proposal of the Appointments and Compensation Committee and after deliberation by the Board of Directors on March 20, 2024, the annual fixed compensation of the Deputy Chief Executive Officer – Chief Pharmacist – for the 2024 fiscal year is set to €11,500, subject to approval by the Annual General Meeting called to approve the financial statements for the 2023 fiscal year to be held on May 24, 2024.

Multiyear variable compensation

The Deputy Chief Executive Officer does not receive multiyear variable compensation.

Directorship compensation

The Deputy Chief Executive Officer, who is also a Director, receives compensation for that role, including for participating in meetings of the Board of Directors.

Currently, the Deputy Chief Executive Officer is not a Director and therefore does not receive any compensation in this respect.

Compensation upon leaving office

The Deputy Chief Executive Officer has no commitment from the company pertaining to compensation or benefits owed if the role is ended or changed.

Exceptional compensation

Exceptional compensation may also be awarded in exceptional circumstances.

Other components of compensation

The Deputy Chief Executive Officer does not receive any other form of compensation for this role.

2.4.2 Compensation of the Chairperson of the Board of Directors, Didier Izabel

2.4.2.1 Summary of compensation of the Chairperson of the Board of Directors, Didier Izabel

(in €)	2023	2022
Compensation awarded for the fiscal year (including social security contributions and benefits in kind)	70,077	—
Directorship compensation ^(a)	39,600	—
TOTAL COMPENSATION	109,677^(b)	—

(a) Given that Directors' compensation is considered investment income, it is not subject to social security contributions.

(b) Amount proposed for a vote at the General Meeting of Shareholders of May 24, 2024.

2.4.2.2 Details of compensation of the Chairperson of the Board of Directors, Didier Izabel

(in €)	Due for the fiscal year		Paid during the fiscal year	
	2023	2022	2023	2022
Fixed compensation as Chairperson of the Board of Directors (including social security contributions)	65,645	—	65,645	—
Compensation as a Director ^(a)	39,600	—	43,200	—
Benefits in kind^(b)	4,432	—	4,432	—
TOTAL COMPENSATION	109,677^(c)	—	113,277	—

(a) Given that Directors' compensation is considered investment income, it is not subject to social security contributions.

(b) The Chairperson of the Board of Directors has health coverage and a welfare insurance policy. Contributions paid by Guerbet in 2023 totaled €1,478. The Chairperson is also covered by the "article 83" funded pension plan. Contributions for 2023 totaled €2,954.

(c) Amount proposed for a vote at the General Meeting of Shareholders of May 24, 2024.

2.4.2.3 Components of compensation paid or awarded for the 2023 fiscal year (*ex-post* vote at the General Meeting of May 26, 2023)

Components of compensation submitted to a vote	Amounts paid during the past fiscal year	Amounts granted for the past fiscal year or book valuation	Comments
2023 fixed compensation	€65,645	€65,645	Section 2.4.1.1 "Compensation policy for the Chairperson of the Board of Directors." The amount was determined based on: - the responsibilities and duties specific to this corporate office, as provided for by law and the Internal Regulations of the Board of Directors, which notably involve ensuring that the company is properly governed and that its governance bodies (Board of Directors and its Committees and the General Meeting of Shareholders) function effectively; - the skills, experience, expertise, and professional profile of the holder of this position; - market benchmarks on compensation granted to a non-executive Chairperson in comparable companies of the healthcare market in France. The last benchmarking was in 2022.
Directorship compensation	€43,200	€39,600	Section 2.4.5 "Directors' compensation." The Directors' compensation consists of a fixed portion and a variable portion. The variable portion is the main part of the Directors' compensation.
Benefits of any kind – Welfare insurance and mutual health insurance	€1,478	€1,478	Section 2.4.1.1 "Compensation policy for the Chairperson of the Board of Directors." Contributions paid by Guerbet for mutual health insurance and welfare insurance. The Chairperson has health coverage and a welfare insurance policy, taken out by Guerbet under the same conditions as for Guerbet employees. The contributions paid by Guerbet totaled €1,478 in 2023: €720 for welfare insurance and €758 for mutual health insurance.
Benefits of any kind – Supplementary pension	€2,954	€2,954	Section 2.4.1.1 "Compensation policy for the Chairperson of the Board of Directors." Didier Izabel is covered by the "article 83" funded pension plan, a mandatory Group insurance policy for the executive category. Contributions for 2023 totaled €2,954.

2.4.2.4 Summary of benefits of the Chairperson of the Board of Directors

**TABLE 11 ACCORDING TO THE AFEP-MEDEF CODE RECOMMENDATIONS
AND AMF POSITION-RECOMMENDATION NO. 2009-16**

Chairperson of the Board of Directors	Employment contract		Supplementary pension plan		Compensation or benefits owed or liable to be owed following a termination or change of duties		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Didier Izabel		X	X			X		X
Start of term: May 26, 2023								
End date: at the close of the 2026 General Meeting called to approve the 2025 financial statements								

2.4.2.5 Details of benefits of the outgoing Chairperson of the Board of Directors, Marie-Claire Janailhac-Fritsch

Marie-Claire Janailhac-Fritsch's term of office ended at the close of the General Meeting of May 26, 2023. However, she received compensation for her role from January 1, 2023, to May 26, 2023.

(in €)	2023	2022
Compensation awarded for the fiscal year (including social security contributions and benefits in kind)	44,834	117,416
Directorship compensation ^(a)	18,100	43,200
TOTAL COMPENSATION	62,934 ^(b)	160,616

(a) Given that Directors' compensation is considered investment income, it is not subject to social security contributions.

(b) Amount proposed for a vote at the General Meeting of Shareholders of May 26, 2023.

Chairperson of the Board of Directors	Employment contract		Supplementary pension plan		Compensation or benefits owed or liable to be owed following a termination or change of duties		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Marie-Claire Janailhac-Fritsch		X	X			X		X
Start of term: May 27, 2011, reappointed on May 19, 2017								
End date: May 26, 2023								

2.4.3 Compensation of the Chief Executive Officer, David Hale

2.4.3.1 Summary of compensation of the Chief Executive Officer, David Hale

(in €)	2023	2022
Compensation due for the fiscal year (including payroll taxes)	998,042 ^(a)	816,430
Multiyear compensation due:	—	—
• Value of performance shares awarded during the fiscal year	483,735 ^(b)	—
• Value of performance shares awarded previously	—	436,500
• Value of performance shares distributed during the fiscal year	—	—
TOTAL	1,481,777	1,252,930

(a) Including the annual variable compensation that will be submitted to a vote at the General Meeting of Shareholders of May 24, 2024.

(b) Valuation based on the market price on the day before the issue dates (€17.00).

2.4.3.2 Details of compensation of the Chief Executive Officer, David Hale

(in €)	Due for the fiscal year		Paid during the fiscal year	
	2023	2022	2023	2022
Fixed compensation (including social security contributions)	469,500	469,500	469,500	469,500
Variable compensation (including social security contributions)	469,500 ^(a)	290,394	290,394	586,875
Exceptional compensation (including social security contributions)	—	—	—	—
Benefits in kind ^(b)	59,042	56,536	59,042	56,536
TOTAL COMPENSATION	998,042	816,430	818,936	1,112,911

(a) Gross amount submitted to the General Meeting of Shareholders of May 24, 2024, for a vote.

(b) David Hale received €59,042 in benefits in kind in 2023. These include:

- the same supplementary health and death insurance system as Group employees in France: €1,840;
- the same welfare insurance and health insurance plan as Group employees in France: €4,729;
- GSC unemployment insurance: €30,939;
- a company vehicle: €5,697;
- the "Article 83" funded pension plan: €15,837.

2.4.3.3 Performance shares granted to the Chief Executive Officer during the 2023 fiscal year

	Plan date (Board of Directors)	Number of shares issued during the fiscal year	Value of shares (in €) ^(a)	Acquisition date	Availability date	Performance condition
David Hale	May 2023	28,455	€483,735	July 1, 2023	July 1, 2026	100%

(a) Unit value of €17.00 corresponding to the opening price on the issue date for 28,455 shares.

The performance conditions for this issue are as follows:

- acquisition of 30% of the performance shares is contingent on Guerbet's Relative TSR compared with the TSR on the CAC Mid & Small's relative benchmark;
- acquisition of 40% of the performance shares is contingent on growth of both EBITDA and the EBITDA ratio;
- acquisition of 30% of the performance shares is contingent on meeting CSR criteria (carbon footprint).

2.4.3.4 Components of compensation paid or awarded for the 2023 fiscal year (ex-post vote at the General Meeting of May 26, 2023)

Components of compensation submitted to a vote	Amounts paid during the past fiscal year	Amounts granted for the past fiscal year or book valuation	Comments
Fixed compensation	€469,500	€469,500	Section 2.4.1.2 "Compensation policy for the Chief Executive Officer (executive corporate officer)." The following factors are considered in determining the fixed compensation: - the level and complexity of the duties and responsibilities attributed to this position; - the skills, experience, expertise, and professional profile of the holder of the position; - market analyses and studies on the compensation of international executives in comparable companies in the healthcare industry in France to ensure attractive, competitive compensation levels.
Annual variable compensation	€290,394	€469,500	Section 2.4.1.2 "Compensation policy for the Chief Executive Officer (executive corporate officer)." The variable compensation for this position for 2023 was based on quantitative criteria (gross margin, EBITDA, free cash flow, and several CSR criteria) and qualitative criteria (progress on projects related to the integration of acquisitions and progress on business development and licensing projects). These criteria were aligned with the company's objectives. For confidentiality reasons, the level of achievement required for the quantitative criteria and the details of the qualitative criteria, although precisely pre-established, cannot be disclosed.
Multiyear variable compensation	€0	€483,735	Section 2.4.1.2 "Compensation policy for the Chief Executive Officer (executive corporate officer)." Performance shares awarded in 2023. During the 2023 fiscal year, 28,455 shares were issued to the Chief Executive Officer.
Benefits of any kind	€59,042	€59,042	Section 2.4.1.2 "Compensation policy for the Chief Executive Officer (executive corporate officer)." David Hale received €59,042 in benefits in kind in 2023. These include: - the same supplementary health and death insurance system as Group employees in France: €1,840; - the same welfare insurance and health insurance plan as Group employees in France: €4,729; - GSC unemployment insurance: €30,939; - a company vehicle: €5,697; - a supplementary pension. David Hale was covered by the "article 83" funded pension plan, a mandatory Group insurance policy for the executive category. Contributions are based on the annual gross compensation of policyholders for the insurance period in question, limited to Social Security bracket C. The monthly contribution rate is exclusively for the employer and is equal to 4.5% of the monthly compensation. There are no tax charges associated with the policies. Contributions for 2023 totaled €15,837.

2.4.3.5 Summary of benefits of the Chief Executive Officer

TABLE 11 ACCORDING TO THE AFEP-MEDEF CODE RECOMMENDATIONS AND AMF POSITION-RECOMMENDATION NO. 2009-16

Chief Executive Officer	Employment contract		Supplementary pension plan		Compensation or benefits owed or liable to be owed following a termination or change of duties		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
David Hale		X	X			X		X
Start of term: January 1, 2020								

2.4.4 Compensation of the Deputy Chief Executive Officer, Philippe Bourrinet

Philippe Bourrinet has been Deputy Chief Executive Officer since March 24, 2021.

The information relating to Philippe Bourrinet's compensation described in this section 2.4.4 details the components received for his corporate office, described in section 2.4.1.3 "Compensation policy for the Deputy Chief Executive Officer (Group Chief Pharmacist)."

He receives compensation (annual fixed, annual variable) as an employee for his role as Senior Vice-President of Development, Medical, and Regulatory Affairs for Guerbet Group. Given that these types of compensation are received under his employment contract and not for his corporate office, they are not detailed in the tables below.

2.4.4.1 Summary of compensation of Philippe Bourrinet, Deputy Chief Executive Officer

(in €)	2023	2022
Compensation for the corporate office (including social security contributions)	11,500	11,500
Value of performance shares distributed during the fiscal year	—	—
TOTAL	11,500	11,500

2.4.4.2 Details of compensation of Philippe Bourrinet, Deputy Chief Executive Officer

(in €)	Due for the fiscal year		Amounts paid during the fiscal year	
	2023	2022	2023	2022
Compensation for the corporate office (including social security contributions)	11,500 ^(a)	11,500	11,500	11,500
TOTAL COMPENSATION	11,500	11,500	11,500	11,500

(a) Theoretical annual premium for the office.

2.4.4.3 Components of compensation paid or awarded for the 2023 fiscal year (ex-post vote at the General Meeting of May 26, 2023)

Components of compensation submitted to a vote	Amounts paid during the past fiscal year	Amounts granted for the past fiscal year or book valuation	Comments
Compensation for the office of Deputy CEO (Chief Pharmacist)	€11,500	€11,500	Section 2.4.1.3 "Compensation policy for the Deputy Chief Executive Officer (Group Chief Pharmacist)." The Deputy Chief Executive Officer receives a "Chief Pharmacist" premium for the responsibilities as Chief Pharmacist for Guerbet Group. On the proposal of the Appointments and Compensation Committee, the gross Chief Pharmacist premium for the Deputy Chief Executive Officer was set to €11,500 for 2023. On the proposal of the Appointments and Compensation Committee, the Board of Directors will submit to the General Meeting a proposal to maintain this premium at €11,500 for 2024.

2.4.4.4 Summary of benefits of the Deputy Chief Executive Officer

**TABLE 11 ACCORDING TO THE AFEP-MEDEF CODE RECOMMENDATIONS
AND AMF POSITION-RECOMMENDATION NO. 2009-16**

Deputy Chief Executive Officer	Employment contract		Supplementary pension plan		Compensation or benefits owed or liable to be owed following a termination or change of office		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Philippe Bourrinet	X		X			X		X
Start of term: March 24, 2021								

2.4.5 Directors' compensation

The compensation policy aims to compensate Directors for their commitment to corporate governance. It incorporates an identical fixed portion for all Directors and a variable portion according to meeting attendance criteria.

As is the case for the corporate officers, changes in the Directors' compensation are decided in accordance with the labor and compensation policy applicable to all employees.

At the General Meeting scheduled for May 24, 2024, the Shareholders will be asked to approve the compensation granted to the Directors for the 2023 fiscal year for a maximum total amount of €335,000, composed of a fixed portion and a predominantly variable portion calculated according to the

participation of each member in their Committee meetings (with the understanding that the Chairperson of the Board of Directors receives a double variable portion).

The Chairperson of the Board of Directors and the Chairperson of each of the Committees receive an additional variable portion, justified by the workload and additional responsibility that this function entails.

Marie de la Simone and Jean-Sébastien Raynaud, Directors representing the employees, do not receive compensation for this role.

AMOUNT OF COMPENSATION TO BE DISTRIBUTED FOR 2023 FOR SERVING AS A DIRECTOR

Director	Annual fixed portion	Variable portion	Net total
M.-C. Janailhac-Fritsch	€2,500	€15,600	€18,100
D. Izabel	€6,000	€33,600	€39,600
P. Auger	€3,500	€12,000	€15,500
C. Dagommer	€6,000	€19,200	€25,200
M. de la Simone (employee-elected Director)	€—	€—	€—
M. Fouquet	€6,000	€21,600	€27,600
É. Guerbet	€6,000	€21,600	€27,600
C. Lamort	€6,000	€21,600	€27,600
N. Louvet	€6,000	€20,400	€26,400
C. Massiot-Jouault	€6,000	€21,600	€27,600
M. Massiot	€6,000	€14,400	€20,400
J.-S. Raynaud (employee-elected Director)	€—	€—	€—
T. Vior	€6,000	€38,400	€44,400
TOTAL	€60,000	€240,000	€300,000

2.4.6 Equity ratios

2.4.6.1 Data used

The data used to determine the ratios calculated on the average and median salary include the following items: salary (including raises for continued service and long-service awards) + objective bonus paid (year N-1) + benefits in kind + Directorship compensation + performance shares for officers and employees. All items are in gross amounts. For employees

who joined during the year and for part-time employees, the gross amounts have been adjusted to 100%.

Population: employees on a permanent contract with Guerbet S.A., excluding employees whose 100% gross salary is less than €18,000 (e.g. long-term illness or suspension of activity).

2.4.6.2 Ratio calculated on average salaries

Year	2023	2022	2021	2020	2019
Chief Executive Officer (David Hale)	13.03	18.35	15.85	8.68	
Chief Executive Officer (Yves L'Épine)				5.17	17.83
Chairperson of the Board of Directors (Didier Izabel)**	1.80				
Chairperson of the Board of Directors (Marie-Claire Janailhac-Fritsch)**	1.40	2.69	2.81	2.77	2.66
Deputy Chief Executive Officer (since 2021)	0.18	0.19	0.17		
Deputy Chief Executive Officer (2016-2021)*			0.04	0.61	0.20

* For the Deputy Chief Executive Officer, his compensation of €11,500 for his corporate office and his multiyear variable compensation are included.

** Didier Izabel was appointed Chairperson of the Board of Directors on May 26, 2023, replacing Marie-Claire Janailhac-Fritsch.

Chief Executive Officer: In 2023, the change in David Hale's ratio (13.03 versus 18.35 in 2022) can be explained by the lower 2023 annual variable compensation payment compared with 2022. This payment is aligned with the company's objectives and was validated by the 2023 General Meeting.

Chairperson of the Board of Directors: The 2023 ratio (1.40 versus 2.69 in 2022) can be explained by the duration of the term of office, which ended on May 26, 2023.

Chairperson of the Board of Directors: The 2023 ratio (1.80) should be put into perspective, as Didier Izabel took office on May 26, 2023.

Deputy Chief Executive Officer: The Deputy Chief Operating Officer's ratio was stable (0.18 in 2023 versus 0.19 in 2022).

2.4.6.3 Ratio calculated on median salaries

Year	2023	2022	2021	2020	2019
Chief Executive Officer (David Hale)	15.84	22.09	18.93	10.60	
Chief Executive Officer (Yves L'Épine)				6.31	21.87
Chairperson of the Board of Directors (Didier Izabel)	2.19				
Chairperson of the Board of Directors (Marie-Claire Janailhac-Fritsch)	1.70	3.24	3.36	3.38	3.26
Deputy Chief Executive Officer (since 2021)	0.22	0.23	0.21		
Deputy Chief Executive Officer* (2016-2021)			0.05	0.75	0.24

* The Deputy Chief Executive Officer's compensation of €11,500 for this role is included.

Chief Executive Officer: In 2023, the change in David Hale's ratio (15.84 in 2023 versus 22.09 in 2022) can be explained by the lower 2023 annual variable compensation payment compared with 2022.

Chairperson of the Board of Directors: The decrease in the ratio relative to the median of salaries for 2023 (1.70 versus 3.24 in 2022) can be explained by the duration of the term of office, which ended on May 26, 2023.

Chairperson of the Board of Directors: The 2023 ratio (2.19) was lower than in previous years, as Didier Izabel took office on May 26, 2023.

Deputy Chief Executive Officer: Philippe Bourrinet's 2023 ratio (0.22) was stable compared with previous years.

2.4.7 Annual changes in compensation and company performance

	Rate of change				
	2023	2022	2021	2020	2019
David Hale	-26.4%	19.3%	NS*	NS*	—%
Yves L'Épine		—%	—%	NS*	-16.3%
Marie-Claire Janailhac-Fritsch ^(a)	-46.0%	-1.5%	-1.3%	7.6%	28.8%
Didier Izabel (Chairperson of the Board) ^(b)	NS*	—%	—%	—%	—%
Philippe Bourrinet ^(c)	—%	12.5%	NS*	—%	—%
Pierre André ^(d) (term ended)		—%	NS*	NS*	79.0%
Marion Barbier (end of term in 2021)		—%	-4.2%	20.0%	-7.7%
Mark Fouquet	-3.4%	11.5%	4.0%	15.4%	—%
Éric Guerbet	-7.4%	28.6%	5.0%	6.7%	NS*
Didier Izabel (Director) ^(a)	NS	—%	—%	15.2%	-6.3%
Céline Lamort	4.0%	31.6%	26.7%	-21.7%	-4.2%
Nicolas Louvet	8.0%	8.7%	—%	15.0%	6.7%
Claire Massiot-Jouvault	-14.8%	3.8%	—%	15.6%	—%
Thibault Viot	-5.7%	16.7%	3.4%	36.5%	NS*
Carine Dagommer	155.0%	NS*			
Marc Massiot	39.0%	NS*			
Guerbet S.A. – Average^(e)	3.6%	3.0%	-2.8%	3.4%	-0.7%
Guerbet S.A. – Median^(e)	2.6%	2.2%	-0.7%	3.7%	1.6%
EBITDA	-4.3%	-1.9%	4.3%	-9.7%	-8.0%
Revenue	4.1%	2.9%	2.8%	-12.8%	3.5%
Operating result	147.0%	-146.9%	-7.6%	-20.1%	-26.1%
NET INCOME	285.5%	-226.0%	84.2%	-52.5%	-19.7%

Comments:

The Directors representing the employees do not receive compensation for this office and are therefore not included in this table.

Amounts paid: annual gross (including fixed + variable compensation + directors' compensation + benefits in kind + exceptional compensation + miscellaneous bonuses + overtime, etc.).

(a) End of term: May 26, 2023.

(b) Appointed Chairperson of the Board of Directors: May 26, 2023.

(c) Appointed Deputy CEO on March 24, 2021. This includes compensation of €11,500 for his corporate office.

(d) End of term: March 24, 2021.

(e) Selected population: Permanent employees of Guerbet S.A. who are part of the staff on December 31 of each year. Excluding expatriate employees, employees whose gross annual salary is less than €18 K (long-term illness, suspension of activity).

* NS: Not Significant.

Chief Executive Officer: David Hale's compensation decreased by 26.4%. In 2023, a decrease in annual variable compensation explains this change. David Hale's fixed compensation remained unchanged.

Chairperson of the Board of Directors: Marie-Claire Janailhac-Fritsch's compensation decreased by 61.4% between 2022 and 2023, as her term of office ended in May 2023.

Chairperson of the Board of Directors: The change in Didier Izabel's compensation is not significant, as he took office in 2023.

Deputy Chief Executive Officer: In 2023, Philippe Bourrinet's compensation as Deputy CEO was identical to his 2022 compensation.

Between 2022 and 2023, the upward trend in the median and average salaries for 2023 of employees of Guerbet S.A. was due to changes in the compensation structure resulting from the arrival of new employees hired at a salary above the median and average salaries for 2022.

2.4.8 Commitments made to corporate officers when their duties are assumed, changed, or terminated

Not applicable.

2.4.9 Stock option plans for corporate officers

2.4.9.1 Options awarded in 2023

N/A.

2.4.9.2 Options exercised in 2023

N/A.

2.4.9.3 Options not exercised at December 31, 2023

N/A.

2.4.9.4 Issue and distribution of performance shares to executive corporate officers

Details of performance shares awarded to executive corporate officers	2016 plan	2019 plan	2021 plan	2022 plan
General Meeting date	May 27, 2016	May 28, 2018	May 29, 2020	May 20, 2022
Board meeting date	November 08, 2016	March 26, 2019	March 24, 2021	September 21, 2022
Share issue date	December 01, 2016, to November 30, 2018	July 01, 2019	May 01, 2021	September 22, 2022
Distribution date	December 01, 2018, to November 30, 2020	July 01, 2022	May 01, 2024	September 22, 2025
2017 fiscal year				
No shares issued				
No shares distributed				
2018 fiscal year				
Total number of performance shares distributed to corporate officers under each of the plans:				
• Pierre André	732			
• Share distribution date	December 01, 2018			
Total number of performance shares awarded to corporate officers under each of the plans:				
• Pierre André	800			
• Share distribution date	March 01, 2018			
2019 fiscal year				
No shares distributed				
Total number of performance shares awarded to corporate officers under each of the plans:				
• Pierre André		800		
• Share issue date		July 01, 2019		
2020 fiscal year				
Total number of performance shares distributed to corporate officers under each of the plans:				
• Pierre André	773			
• Share distribution date	March 01, 2020			
No shares issued				
2021 fiscal year				
Total number of performance shares distributed to corporate officers under each of the plans:				
• David Hale			15,200	
• Share distribution date			May 01, 2021	
2022 fiscal year				
Total number of performance shares distributed to corporate officers under each of the plans:				
• David Hale				25,000
• Share distribution date				September 21, 2022

2.5 EXCEPTIONS TO THE AFEF-MEDEF CODE

In accordance with article L. 225-37-4-8° of the French Commercial Code, the table below lists the Afep-Medef Code's provisions that have not been adopted and the reasons why.

Topic	Afep-Medef Code	Guerbet situation/Comments
Directors' term of office	Limitation of the term of Directors to four years by the articles of association Article 13 of the Afep-Medef Code	The members of the Board have been appointed for a six-year term, in accordance with the law and the articles of association. Note that the Afep-Medef Code's recommendation of a four-year term for Directors has not been adopted. The company strives to meet the criteria of the Afep-Medef Code whenever they are compatible with its organizational structure and operating procedures. However, because of the company's size, its capital-intensive nature, and the Board's desire to adopt a long-term perspective while drawing on experience, it has decided not to follow this recommendation. Note that the General Meeting of May 20, 2022, approved an amendment to article 9b of the company's articles of association (Appointment of the Board of Directors and term of office) to provide that, as an exception to the term of six (6) years and exclusively to allow the staggering of Directors' terms of office to be implemented or maintained (as recommended by the Afep-Medef Code), the Ordinary General Meeting of Shareholders may appoint one or more Directors for a term of one to five years.
Proportion of Independent Directors among the members of the Board of Directors	Independent Directors Article 9.3 of the Afep-Medef Code	Guerbet's Board of Directors currently has 30% independent members, while the Code recommends 33%. The balance on the Board of Directors takes into account the proportion of the majority Shareholder's stake. The presence of two employee-elected Directors contributes to the diversification of its membership and the strengthening of its areas of expertise.
Composition of the Audit Committee	Two thirds independent members Article 15 of the Afep-Medef Code	Note that the Board's Internal Regulations, setting the minimum number of independent members of the Audit Committee at one half, deviate from the Afep-Medef Code's recommendation that at least two thirds of the Committee members should be Independent Directors. This Committee composition rule was introduced due to the majority proportion of members representing the Shareholder Agreement on the Board. However, the proportion of independent members of the Audit Committee is 60%.

2.6 AGREEMENTS REFERRED TO IN ARTICLE L. 225-37-4-2° OF THE FRENCH COMMERCIAL CODE

N/A.

2.7 DELEGATIONS OF AUTHORITY REGARDING CAPITAL INCREASES

A summary of the current delegations of authority granted by the General Meeting of Shareholders with regard to capital increases, pursuant to articles L. 225-129-1 and L. 225-129-2, showing the use of these delegations during the 2023 fiscal year is provided in section 3.6.11.

2.8 PROVISIONS IN THE ARTICLES OF ASSOCIATION RELATING TO GENERAL MEETINGS

There are no specific provisions in the articles of association on the participation of Shareholders in General Meetings. General Meetings are convened and held, and resolutions are adopted, in accordance with the conditions set by law. However, a double voting right is granted to shares that have been registered for at least two years.

The General Meeting, acting under the conditions of quorum and majority required for Extraordinary General Meetings, has sole authority to decide on amendments to the articles of association.

The company's articles pertaining to General Meetings are as follows:

Article 19 – Notices of Meetings – Meetings – Access to General Meetings

Shareholders' Meetings are called under the conditions set by law.

They are held at the head office or at any other location indicated in the notice of meeting.

Any Shareholder who can prove their capacity as such is entitled, regardless of the number of shares that they own, to attend Meetings and participate in the deliberations, in person or by proxy, or to vote by mail, under the applicable legal and regulatory conditions.

However, to exercise this right, either the shares must be held in a registered account, by the Shareholder or a registered intermediary, as referred to in article L. 228-1 of the French Commercial Code, or a certificate of registration in the account

of an authorized financial intermediary attesting to the unavailability of shares held in bearer form must be deposited, at the locations indicated in the notice of meeting, at least three (3) days before the General Meeting.

Note that any Shareholder may also participate in General Meetings by videoconference call or using electronic telecommunication or remote transmission media, subject to the qualifications and conditions set by the current laws and regulations, if this is permitted by the Board of Directors when the General Meeting in question is called. Such a Shareholder shall be deemed to be present at this Meeting for the calculation of the quorum and the majority.

Article 20 – Voting right

The voting rights attached to shares are proportional to the percentage of the share capital that they represent, except in cases where shares are disqualified for voting purposes as provided for by law. However, a double voting right shall be awarded to Shareholders for all fully paid-up shares that they have held registered in their name for at least two years, on presentation of proof.

In the event of a capital increase through the capitalization of reserves, profits, or issue premiums, this double voting right shall be granted upon issuance of the new free shares to Shareholders based on the existing shares for which they already enjoy this right.

The voting right belongs to the beneficial owner in Ordinary General Meetings and to the bare owner in Extraordinary General Meetings, with the exception of shares that are the subject of a collective holding commitment subscribed for the application of article 787-B of the French General Tax Code and are a gift with beneficial ownership. In that case, the beneficial owner's voting right is limited to decisions concerning the allocation of profits.

Article 21 – Authority – Quorum – Majority for General Meetings

The authority of the Ordinary and Extraordinary General Meetings is the authority provided for by law.

The Ordinary General Meeting deliberates validly only if the Shareholders present or represented or having voted by mail hold at least, as of the first notice of meeting, one fifth of the shares having a voting right; on the second notice of meeting, no quorum is required.

The Extraordinary General Meeting deliberates validly only if the Shareholders present or represented or having voted by

mail hold at least, as of the first notice of meeting, one fourth or, as of the second notice of meeting, one fifth of the shares having a voting right.

The Ordinary General Meeting rules by a majority of the votes of the Shareholders present, represented, or having voted by mail.

The Extraordinary General Meeting rules by a two-thirds majority of the votes of the Shareholders present, represented, or having voted by mail.

2.9 FACTORS THAT COULD HAVE AN IMPACT IN THE EVENT OF A TAKEOVER OR EXCHANGE OFFER REFERRED TO IN ARTICLE L. 225-37-5 OF THE FRENCH COMMERCIAL CODE

Information that could have an impact in the event of a takeover or exchange offer must be included in the corporate governance report in accordance with article L. 225-37-5 of the French Commercial Code. The table below indicates the section that readers should refer to for each type of information.

Type of information	Section of the Universal Registration Document
1° The company's capital structure.	Capital and shareholding structure – 3.4
2° The restrictions in the articles of association on the exercise of voting rights and transfers of shares or the clauses of agreements brought to the attention of the company pursuant to article L. 233-11. There are no such restrictions in Guerbet's articles of association. The provisions of the articles of association relating to General Meetings are set out in this document. A Shareholder Agreement is in force.	Corporate governance – 2.8 and Capital and shareholding structure – 3.6.1
3° Direct or indirect holdings in the company's capital of which it is aware pursuant to articles L. 233-7 and L. 233-12.	Capital and shareholding structure – 3.6.4
4° The list of holders of any share with special control rights and a description of such rights. There are no such shares in Guerbet's capital.	N/A
5° Control mechanisms provided for in a potential employee shareholding system when control rights are not exercised by the employees.	Capital and shareholding structure – 3.6.3
6° Shareholder agreements of which the company is aware and potentially resulting in restrictions on the transfer of shares and the exercise of voting rights.	Capital and shareholding structure – 3.6.1
7° Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments to the company's articles of association.	Corporate governance – 2.2
8° The powers of the Board of Directors, in particular with regard to share issuance or buybacks.	Capital and shareholding structure – 3.6.10
9° Agreements entered into by the company that are amended or terminated in the event of a change in the company's control, except where such disclosure could cause serious harm to its interests, apart from cases of legal obligation of disclosure. The Group's financing contracts contain change of control clauses.	N/A
10° Agreements providing for the payment of compensation to members of the Board of Directors or employees in the event of their resignation or dismissal without real and serious cause or if their employment were to be terminated as a result of a takeover or exchange offer. No such agreement exists.	N/A

3 | CAPITAL AND SHAREHOLDING STRUCTURE

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3.1 STOCK MARKET DATA

Guerbet shares are traded on Euronext Paris – Segment B under ISIN code FR0000032526.

Based on the closing price of €19.50 at December 31, 2023, Guerbet's market capitalization is €247 million.

SHARE PRICE PERFORMANCE IN 2023*



* Based on daily closing prices.

Data on the share price and monthly transactions for 2023	Highest price in a trading session (in €)	Lowest price in a trading session (in €)	Number of shares traded	Capital traded (in millions of €)
January	19.5	16.7	410,904	7.41
February	19.8	18.1	481,666	9.11
March	20.4	16.7	503,807	9.43
April	18.5	16.3	174,429	2.98
May	18.1	16.0	167,297	2.86
June	17.7	16.4	133,497	2.26
July	22.0	16.5	177,365	3.41
August	23.2	20.3	249,412	5.35
September	22.0	16.3	322,587	5.95
October	17.9	15.5	217,770	3.62
November	19.2	16.6	192,076	3.45
December	19.9	18.1	171,724	3.26

3.2 RELATIONS WITH THE FINANCIAL COMMUNITY

The Finance Division is an interface between the Group and the financial community consisting of individual Shareholders, institutional investors, and financial analysts. It aims to provide all these market players with clear, rigorous, transparent information in real time so as to keep them informed of the Group's strategy, products, activity, financial results, and medium-term financial objectives and the means to achieve them.

Guerbet makes a specific "Investors" section available to the financial community and its shareholders on its website www.guerbet.com. It provides information about the company and in particular:

- the Universal Registration Document, including the annual financial report;
- all publications, financial presentations, and press releases ("Presentations, Reports, and Regulated Information" section);
- information relating to the General Meeting ("General Meeting" section).

2024 financial calendar

Event	Date
Publication of 2023 full-year revenue	February 08, 2024
Presentation of consolidated financial statements – 2023 fiscal year	March 20, 2024
Publication of Q1 2024 revenue	April 25, 2024
Annual General Meeting of Shareholders for the 2023 fiscal year	May 25, 2024
Publication of Q2 2024 revenue	July 25, 2024
Presentation of half-year consolidated financial statements at June 30, 2024	September 25, 2024
Publication of Q3 2024 revenue	October 24, 2024

All publications will be released after the close of Euronext Paris.

The Guerbet Group contact person for financial information and investor relations is:

Jérôme Estampes – Chief Financial Officer

Telephone: +33 (0) 1 45 91 50 69

Email: jerome.estampes@guerbet.com

3.3 DISTRIBUTED DIVIDENDS

Dividends paid over the past three years

Fiscal year (in €)	Amount distributed	Gross dividend per share ^(a)
2020	8,821,872	0.70
2021	10,744,948	0.85
2022	6,320,558	0.50

^(a) Before taxes and social security contributions.

3.4 SHAREHOLDING STRUCTURE

3.4.1 Breakdown of capital

At December 31, 2023, the share capital amounted to €12,641,115 divided into 12,641,115 fully paid-up shares with a par value of €1 each.

None of these 12,641,115 shares are pledged.

At December 31, 2023, the share capital breaks down as follows:



3.4.2 Change in the breakdown of the share capital and voting rights over the last three years

The breakdown of the share capital presented below corresponds to the shares and voting rights for Ordinary General Meetings.

There is little difference compared with the breakdown of the share capital for Extraordinary General Meetings. This difference is due to divisions of ownership resulting from the gifting of shares within the Guerbet family whose beneficial owners and bare owners do not belong to the same category of Shareholders.

Number of shares	December 31, 2023			December 31, 2022			December 31, 2021		
	Number of shares	% of share capital	% of voting rights ^(a)	Number of shares	% of share capital	% of voting rights ^(a)	Number of shares	% of share capital	% of voting rights ^(a)
Guerbet family agreement	6,731,769	53.25	64.80	6,732,124	53.26	63.44	6,721,785	53.17	66.80
Other registered shareholders – Guerbet family	201,884	1.60	2.23	217,684	1.72	2.42	216,745	1.71	2.17
Current & former employees and mutual funds	462,429	3.66	4.69	459,683	3.64	4.48	391,914	3.10	3.56
Other registered shareholders – excluding Guerbet family	185,939	1.47	2.00	191,047	1.51	2.08	191,786	1.52	1.91
Treasury shares	63,222 ^(b)	0.50	—	21,143 ^(b)	0.17	—	11,880	0.09	—
Floating shares	4,995,872	39.52	26.28	5,019,434	39.71	27.61	5,107,005	40.40	25.56
TOTAL	12,641,115	100	100	12,641,115	100	100	12,641,115	100	100

(a) The breakdown of voting rights is presented in terms of effective voting rights. The number of theoretical voting rights was 18,188,997 at December 31, 2023, 18,203,814 at December 31, 2022, and 19,750,352 at December 31, 2021, assuming that each treasury share grants entitlement to one voting right.

(b) This includes treasury shares held under the liquidity contract set up on March 9, 2022.

3.5 SHARE BUYBACK PROGRAM

To cover the issues of shares to Group employees and officers and in accordance with the provisions of articles L. 225-197-1 *et seq.* of the French Commercial Code, Guerbet acquired 50,000 shares in 2023 through an investment services provider acting independently on behalf of the company.

The share buyback took place on September 27, 2023, in accordance with the applicable regulations on share buybacks and the authorization granted by the General Meeting of May 26, 2023.

To promote trading liquidity and listing regularity for the Group's shares in order to avoid share price fluctuations not warranted by market trends, Guerbet has appointed Exane BNP Paribas to trade on the Group's behalf on the Euronext Paris regulated market.

This contract was implemented on March 9, 2022. Guerbet may terminate the contract at any time without notice. It may be automatically renewed for successive periods of 12 months.

On April 1, 2022, at the start of trading, the resources allocated by Guerbet for implementation of the liquidity contract totaled €600,000 in cash.

Trades during the 2023 fiscal year under the liquidity contract

Under the liquidity contract entrusted to Exane BNP Paribas by Guerbet, the following assets appeared in the liquidity account as of the settlement date of December 31, 2023:

- 13,219 Guerbet shares;
- €268,064.

During 2023, a total of:

- 161,046 shares were purchased for €2,969,710 (1,631 trades);
- 168,191 shares were sold for €3,107,797 (1,737 trades).

3.6 ADDITIONAL INFORMATION ABOUT THE CAPITAL

3.6.1 Shareholder agreement

An agreement mainly binding family Shareholders was signed on November 16, 2002. This agreement was published by the *Conseil du marché financier* (CMF) on December 13, 2002, under number 202C1653. It was updated in September 2013, particularly to take into account Guerbet's current form of governance (French public limited company with a Board of Directors). The updated version of the agreement was duly transmitted to the AMF (*Autorité des marchés financiers*: French Financial Markets Authority). Its purpose is principally "to act as market makers for the group of

Shareholders, who are mainly of family origin, to organize trading of the Guerbet shares that each of the members owns and may own in the future and to ensure the cohesiveness and representativeness of the Group that they form within the framework of the current laws and regulations," and also "to involve the signatories to the agreement in the company's development plans, coordinate sales of shares, actively participate in the selection of any new Guerbet partners, and suggest the appointment of new members of Guerbet's Board of Directors."

3.6.2 Share lock-in commitments through "Dutreil" agreements

The collective share lock-in commitments within the scope of article 787-B of the French General Tax Code⁽¹⁾ are as follows⁽²⁾:

Registration date	Type of collective share lock-in commitment	Duration
December 30, 2015	Inheritance	Commitment withdrawn effective August 21, 2022
June 21, 2022	Donation	Two-year collective commitment followed by four-year individual commitment
June 21, 2022	Inheritance	Two years, then automatic renewal indefinitely

3.6.3 Control mechanisms provided for a potential employee shareholding system when the control rights are not exercised by the employees

N/A.

⁽¹⁾ Article 787-B of the French General Tax Code provides that "the shares of companies having industrial operations benefit from a 75% inheritance tax exemption if the shares are covered by a collective share lock-in commitment."

⁽²⁾ The share lock-in commitments pertain to a minimum of 20% of the percentage of the share capital covered by the agreement on its signing date and a minimum of 20% of the percentage of voting rights covered on its signing date.

3.6.4 Threshold crossings

To the best of the company's knowledge, two of the registered shareholders crossed the thresholds set by law for the number of shares and/or voting rights held.

Shareholder	Ordinary General Meeting		Extraordinary General Meeting	
	Shares	Voting rights	Shares	Voting rights
Hakea*	14.63%	11.35%	14.63%	11.35%
SC Guerbet Fron*	6.47%	8.63%	6.47%	8.63%

* Member holding companies of the family shareholder agreement.

3.6.5 Transactions by executive officers and similar individuals

Transactions in the company's shares were carried out by a person referred to in article L. 621-18-2* of the French Monetary and Financial Code during the 2023 fiscal year:

Transaction type	Name	Volume	Average price	Amount
Vesting of shares	Hakea	20,000	€17.23	€344,663.14

* Within the Guerbet Group, such people include the Chief Executive Officer, the Deputy Chief Operating Officer, members of the Board of Directors, and anyone with a personal relationship with them within the meaning of article R. 621-43-1 of the French Monetary and Financial Code.

The holding company Hakea SAS, chaired by Marc Massiot, a Director of Guerbet, is a related party. It acquired 20,000 Guerbet shares in the 2023 fiscal year.

3.6.6 Transactions by employees excluding corporate officers

3.6.6.1 Options granted to employees excluding corporate officers in 2023

N/A.

3.6.6.2 Options exercised by employees excluding corporate officers in 2023

N/A.

3.6.6.3 Options not exercised by employees excluding corporate officers at December 31, 2023

No stock options remain to be exercised as of the end of the 2023 fiscal year.

3.6.7 Performance share plans

Several performance share plans have been implemented. The performance share plans still in effect are described in detail below and in the notes to the consolidated and individual financial statements (see “Financial statements and related notes” section).

In the first half of 2023, “Plan 6,” a new share issue plan involving 92,896 shares, was set up.

1. **Plan 4 (2021):** On March 24, 2021, the Board of Directors approved a performance share issue plan for certain employees and officers of the company and its French and foreign subsidiaries.

Plan 4 (2021) – Decision of the Board of Directors of March 24, 2021 (in effect)

Plan 4 summary (2021)

Date of the Extraordinary General Meeting:	May 29, 2020
Board meeting date:	March 24, 2021
Vesting period/conditions:	Issue period of three years from May 01, 2021. Vesting of the issued shares is subject to a condition of presence at the end of the issue period and the fulfillment of collective performance criteria. The vested shares will be available without any holding period. However, the Chief Executive Officer must retain 20% of the vested shares in registered form until leaving office.
Share issue date:	May 01, 2021
Shares initially issued:	48,060 shares
• of which issued to the top 10 recipients:	16,860 shares
Share issue price:	€33.70 ^(a)

2023 fiscal year

Number of pending share issues at December 31, 2023:	11,888 shares
Value of pending share issues at December 31, 2023:	€258 K ^(b)

(a) Opening price on issue date.

(b) Valuation based on the IFRS 2 unit fair value at December 31, 2022 (€32.41 non-market condition share/€21.24 market condition share).

- 2. Plan 5 (2022):** On September 21, 2022, the Board of Directors approved a performance share issue plan for certain employees and officers of the company and its French and foreign subsidiaries.

Plan 5 (2022) – Decision of the Board of Directors of September 21, 2022 (in effect)

Plan 5 summary (2022)

Date of the Extraordinary General Meeting:	May 20, 2022
Board meeting date:	September 21, 2022
Vesting period/conditions:	Issue period of three years from September 22, 2022. Vesting of the issued shares is subject to a condition of presence at the end of the issue period and the fulfillment of collective performance criteria. The vested shares will be available without any holding period. However, the Chief Executive Officer must retain 20% of the vested shares in registered form until leaving office.
Share issue date:	September 22, 2022
Shares initially issued:	89,219 shares
• of which issued to the top 10 recipients:	27,450 shares
Share issue price:	€17.50 ^(a)

2023 fiscal year

Number of pending share issues at December 31, 2023:	84,205 shares
Value of pending share issues at December 31, 2023:	€1,257 K ^(b)

(a) Opening price on issue date.

(b) Valuation based on the IFRS 2 unit fair value at December 31, 2023 (€16.88 non-market condition share/€10.45 market condition share).

- 3. Plan 6 (2023):** On May 9, 2023, the Board of Directors approved a performance share issue plan for certain employees and officers of the company and its French and foreign subsidiaries.

Plan 6 (2023) – Decision of the Board of Directors of May 09, 2023 (in effect)

Plan 6 summary (2023)

Date of the Extraordinary General Meeting:	May 20, 2022
Board meeting date:	May 09, 2023
Vesting period/conditions:	Issue period of three years from July 01, 2023. Vesting of the issued shares is subject to a condition of presence at the end of the issue period and the fulfillment of collective performance criteria. The vested shares will be available without any holding period. However, the Chief Executive Officer must retain 20% of the vested shares in registered form until leaving office.
Share issue date:	July 01, 2023
Shares initially issued:	92,896 shares
• of which issued to the top 10 recipients:	55,828 shares
Share issue price:	€17.00 ^(a)

2023 fiscal year

Number of pending share issues at December 31, 2023:	88,234 shares
Value of pending share issues at December 31, 2023:	€1,223 K ^(b)

(a) Opening price on issue date.

(b) Valuation based on the IFRS 2 unit fair value at December 31, 2023 (€15.87 non-market condition share/€9.16 market condition share).

3.6.8 Stock option plans for the 2023 fiscal year

See note 22 “Bonus share allocation plan” in the individual financial statements and notes (section 6.3.2).

3.6.9 Limitation of the risk of undue control by the majority Shareholder

The company has taken measures to limit the risk of undue control by the majority Shareholder by separating the positions of Chairperson of the Board of Directors and Chief Executive

Officer and by ensuring that these positions are held by people from outside the Guerbet family.

3.6.10 Powers of the Board of Directors to issue and buy back shares

On May 26, 2023, the General Meeting renewed the authorization for the Board of Directors for 18 months to implement a program to buy back a number of company, which are not to exceed (i) 10% of the total number of shares making up the share capital or (ii) 5% of the total number of shares making up the share capital if they are shares acquired by the company in view of their holding and their tendering for payment or exchange in connection with a merger, demerger,

or contribution, with the understanding that acquisitions carried out by the company may not in any case result in the company holding more than 10% of the shares making up its share capital at any time whatsoever.

The Executive Committee decided to use this delegation of authority in connection with a liquidity contract.

3.6.11 Summary of granted delegations with a potential impact on the share capital

Purpose of delegation	Maximum nominal amount	Duration of authorization	Expiration
Delegation of authority to the Board of Directors to increase the share capital by capitalization of reserves, profits, or premiums or any other sum eligible for capitalization	€2,515,000	26 months	July 20, 2024
Delegation of authority to the Board of Directors to increase the share capital by issuing, with preferential subscription rights, shares and/or debt securities giving access to new shares	Capital increases: €6,295,000 ^(a) Debt security issues: €200,000,000 ^(b)	26 months	July 20, 2024
Delegation of authority to the Board of Directors to increase the share capital by issuing, with cancellation of preferential subscription rights, shares and/or debt securities giving access to new shares, with a mandatory priority period, through public offerings other than those referred to in article L. 411-2 of the French Monetary and Financial Code	Capital increases: €1,255,000 ^{(a)(c)} Debt security issues: €200,000,000 ^(b)	26 months	July 20, 2024
Delegation of authority to the Board of Directors to increase the share capital by issuing, with cancellation of preferential subscription rights, shares and/or debt securities giving access to new shares, with an optional priority period, through public offerings other than those referred to in article L. 411-2 of the French Monetary and Financial Code	Capital increases: €1,255,000 ^{(a)(c)} Debt security issues: €200,000,000 ^(b)	26 months	July 20, 2024
Delegation of authority to the Board of Directors to increase the share capital by issuing, with cancellation of preferential subscription rights, shares and/or debt securities giving access to new shares through public offerings referred to in article L. 411-2(1) of the French Monetary and Financial Code	Capital increases: €1,255,000 ^{(a)(c)} Debt security issues: €200,000,000 ^(b)	26 months	July 20, 2024
Authorization for the Board of Directors, in the event of an issue with cancellation of preferential subscription rights through public offerings, including public offerings referred to in article L. 411-2(1) of the French Monetary and Financial Code, to fix the issue price in the manner specified by the General Meeting, within the limit of 10% of the capital per year	Capital increases: €1,255,000 ^{(a)(c)} Debt security issues: €200,000,000 ^(b)	26 months	July 20, 2024
Authorization for the Board of Directors to increase the amount of issues with or without preferential subscription rights	Limit provided for in the applicable regulations (currently 15% of the initial issue) ^(a)	26 months	July 20, 2024
Delegation of authority to the Board of Directors to increase the share capital by issuing shares in consideration of contributions in kind within the limit of 10% of the share capital	Capital increases: €1,255,000 ^(a) Debt security issues: €200,000,000 ^(b)	26 months	July 20, 2024
Delegation of authority to the Board of Directors to increase the share capital with cancellation of the preferential subscription right by issuing shares of the company reserved for members of a company savings plan	€250,000 ^(a)	26 months	July 20, 2024
Authorization granted to the Board of Directors to issue performance shares freely to certain employees and officers of the company and its affiliates	2% of share capital	24 months	May 20, 2024

(a) Delegation subject to the overall limit for capital increases of €6,295,000 (approximately 49.9% of capital).

(b) Delegation subject to the overall limit for debt security issues of €200,000,000.

(c) A sub-limit of €1,255,000 (approximately 9.9% of capital) applies to these delegations.

No granted authorizations were used during the 2023 fiscal year. At the General Meeting of May 24, 2024, the Shareholders will be asked to renew the financial delegations mentioned above.

3.6.12 Provisions in the articles of association on shares

3.6.12.1 Identifiable bearer shares (article 8)

The company is entitled, at any time, to ask the organization responsible for clearing the securities, under the conditions and according to the legal procedures in force, for information concerning the identity of holders of securities that immediately or ultimately grant a right to vote at its Shareholder Meetings and the quantity of securities that each of them holds and, where appropriate, any restrictions to which the securities may be subject.

3.6.12.2 Declaration of threshold crossings

The company's articles of association do not provide for any additional disclosure obligations if the fraction of the share capital or voting rights held by a Shareholder represents less than one twentieth of the total, as mentioned in article L. 233-7-1 of the French Commercial Code.

3.6.12.3 Actions necessary to modify Shareholders' rights

The Group has not laid down any provisions that are stricter than those imposed by the law.



4 | MANAGEMENT REPORT

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4.1 ANALYSIS OF THE GROUP'S ACTIVITY AND RESULTS

4.1.1 Presentation of reported revenue

(in € thousands – IFRS)		2023	2022
Revenue		785,690	753,275
Breakdown of revenue by geographic region		2023	2022
Europe		39.7%	40.0%
Other markets		60.3%	60.0%
Breakdown of revenue by product range		2023	2022
X-Ray		55.4%	55.1%
MRI		32.7%	32.9%
TOTAL DIAGNOSTIC IMAGING		88.1%	88.0%
INTERVENTIONAL IMAGING		11.9%	12.0%

4.1.2 Revenue analysis

As at December 31, 2023, the Group's sales totaled €785.7 million, up 4.3% compared with 2022. Growth reached 6.4% at constant exchange rates (CER)⁽¹⁾, after stripping out an unfavorable currency effect of €15.5 million, largely due to Asian currencies. On a like-for-like basis, *i.e.* excluding the integration of Intrasure which was consolidated on January 1, 2023, and at CER, revenue growth for the year was 5.9%, perfectly in line with the announced target (> 5%).

Underpinned by a combined increase in volumes and prices, this full-year performance is the result of a significantly accelerated second half, particularly in the fourth quarter (+17.9% at CER).

In **Europe**, activity was up 6% at CER in 2023, thanks to higher volumes and prices throughout the year.

In **Other markets**:

- in the **Americas**, the slight decline in full-year sales (-1.4% at CER) resulted from the remarkable catch-up in the fourth quarter (+39%), in connection with the increase in

production capacity (around 20%) at the Raleigh site in North Carolina;

- in **Asia**, growth was very strong (+15.9% at CER) and driven by the excellent performance of China (+33.7%) after the implementation of the direct distribution model in 2022.

By business activity, the increase in revenue in **Diagnostic Imaging** (+6.3% at CER) in 2023 resulted from:

- for the **MRI** division, growth over the full year of 5.2% at CER, marked by a sharp acceleration in the fourth quarter (+28.6%), in connection with the recovery in sales of Dotarem® in the United States and the ramp up of Elucirem™;
- for the **X-Ray** division, growth at 7% at CER in 2023, driven by Xenetix®.

In **Interventional Imaging**, growth reached 6.6% at CER in 2023 (after +8.1% in 2022), reflecting ongoing positive momentum for Lipiodol®.

⁽¹⁾ Constant exchange rates: the exchange rate impact was eliminated by recalculating sales for the period on the basis of the exchange rates used by the previous financial year.

4.1.3 Results

IFRS	2023		2022	
(in thousands of €)	% of revenue		% of revenue	
+ Revenue	785,690	100	753,275	100
+ Royalties	6,908	0.9	8,001	1.1
+ Other operating income	3,615	0.5	8,879	1.2
- Purchased consumed and change in inventories	(179,704)	(22.9)	(180,424)	(24.0)
- External expenses	(233,806)	(29.8)	(232,585)	(30.9)
- Staff-related costs	(263,625)	(33.6)	(240,664)	(31.9)
+/- Other operating income and expenses	(4,858)	(0.6)	1,561	0.2
- Taxes	(15,441)	(2.0)	(14,992)	(2.0)
EBITDA^(a)	98,779	12.6	103,052	13.7
- Depreciation, amortization, impairment and provisions	(60,108)	(7.7)	(121,212)	(16.1)
Operating result	38,671	4.9	(18,160)	(2.4)
- Net financial expenses	(8,591)	(1.1)	(3,205)	(0.4)
+/- Foreign exchange gains or losses and other financial income/ expenses	728	0.1	(7,007)	(0.9)
+/- Tax expense	(8,637)	(1.1)	(12,744)	(1.7)
NET RESULT	22,171	2.8	(41,116)	(5.5)

(a) EBITDA = Operating income + net amortization, depreciation, impairment and provisions.

4.1.4 Analysis of the results

The Group reported an EBITDA margin for 2023 of 12.6%. After restatement for non-recurring costs related to the optimization of the operating plan and changes in the sales model, the EBITDA margin for 2023 exceeded the announced target (around 11%) at 13.1% compared with 13.8% in 2022. The fall in operating profitability mainly reflects the inflation observed on raw materials (iodine in particular), components and packaging, but also personnel costs. However, this increase in costs was partially offset by the positive change in the product mix and higher selling prices, particularly in the X-Ray segment, as well as good control of fixed costs.

The Group's operating income came to €38.7 million in 2023, compared with a loss of €18.2 million the previous year. As a reminder, the 2022 financial year was marked by significant asset impairments (€58.8 million in total) relating to software developed with Merative (formerly IBM Watson), Accurate Medical Therapeutics and Occlugel.

At December 31, 2023, Guerbet's net income stood at €22.2 million, compared with a loss of €41.1 million in 2022. It includes higher financial expenses and a gain on currency hedging.

4.1.5 Financial position

IFRS (in thousands of €)	2023	2022
Cash flow after finance costs and taxes	79,527	82,916
Change in working capital requirements, of which:	(64,452)	(58,382)
Change in inventories	(36,274)	(68,228)
Change in trade receivables	(28,970)	(1,556)
Change in trade payables	(10,342)	22,145
Change in other assets and liabilities	11,133	(10,743)
Gross investments restated for debts on fixed assets	(62,346)	(57,312)
Dividends paid	(6,310)	(10,732)
Other ^(a)	(11,826)	(9,038)
Free cash flow^(b)	(65,407)	(52,548)
NET DEBT^(c)	335,766	270,359

(a) Mainly consisting of tax, the impact of changes in exchange rates, sales of fixed assets, and the capital increases presented in detail in the consolidated cash flow statement.

(b) The free cash flow is equal to the difference between the surplus operating cash flow and investment expenditure. It explains any increase or decrease in the net debt.

(c) The net debt is calculated by adding up current and non-current financial debts and subtracting cash and cash equivalents.

4.1.6 Analysis of the financial position

At 31 December 2023, equity totaled €378 million compared with €380 million a year earlier. The increase in the Group's net debt to €336 million, compared with €270 million the previous year, resulted from a higher working capital requirement (WCR), mainly linked to the increase in inventories (critical materials, Elucirem™).

Free cash flow for full-year 2023 stood at -€65.4 million, having entered positive territory in the second half at +€6.6 million.

The Board of Directors will propose the payment of a dividend of €0.50 per share in respect of 2023 at the General Meeting on May 24, 2024, stable in relation to the previous year.

4.1.7 Outlook

2024: strategic course maintained, acceleration of growth and increase in profitability

During the past financial year, Guerbet reached several important strategic milestones, with the commercial launch of Elucirem™ in the United States and its approval in key European markets (EU, UK, Switzerland, etc.), a strengthening of the Group's positions in Asia (particularly in China), and the investment in Intrasure. Guerbet's teams will continue to work steadfastly throughout 2024 to implement the major strategic priorities set for each activity:

- in **Diagnostic Imaging**, to strengthen its leadership in MRI, in which Guerbet plans to increase its market share through its comprehensive and unique macrocyclical product portfolio, and in particular the double positioning in Dotarem®/Elucirem™;
- in **Interventional Imaging**, to further expand the potential of Lipiodol®, with a focus on R&D in new applications and accelerated commercial development of the most promising indications, such as vascular embolization;

- in **Artificial Intelligence**, to market Guerbet solutions (helps detect prostate and pancreatic cancers, as well as liver and bone lesions), initially via Intrasure's Myrian® platform, starting this year.

Financially, after comfortably achieving the business and profitability targets it had set for 2023, the Group is looking to 2024 with increased confidence. In a structurally buoyant market for contrast products, Guerbet's business will be underpinned by the ramp-up of the MRI franchise, the expected return to growth in Optiray® sales, and the continuation of strong momentum for Lipiodol®. Operating profitability should benefit from a further favorable change in the product mix, additional price increases and continued good financial discipline. Finally, with inventories set to gradually normalize and investment levels set to stabilize, cash generation is expected to increase.

In this context, Guerbet confirmed that it expects revenue growth of more than 8% in 2024 at constant scope and CER and a higher restated EBITDA margin rate than in 2021 (14.4%). Lastly, free cash flow is expected to be in positive territory over the full year.

The detailed presentation of the 2023 annual results is available in the Investors section of the company's website: <https://www.guerbet.com/investors/>.

4.2 MAJOR EVENTS SINCE THE START OF THE 2024 FISCAL YEAR

On January 23, 2024, Michel Guerbet, head of the company for more than 30 years and son of the founder, passed away at the age of 92. A historic figure in the Guerbet Group, Michel Guerbet was the son of André, who founded the laboratory in 1926, and the grandson of Marcel, who co-developed Lipiodol® in 1901.

On March 11, 2024, Guerbet announced two appointments to the management team: Christine Allard as Senior Vice-President, Public Affairs and Group Communications and Eva Ohlsson as Global Senior Vice-President, Human Resources. They have both joined Guerbet's Executive Committee.

Lastly, on March 20, 2024, Guerbet announced the appointment by the Board of Directors of Jean-Hugues Lecat as a non-voting Board member effective immediately. Jean-Hugues Lecat's appointment as a Director will be submitted to the General Meeting of May 24, 2024, for approval. Following this General Meeting, Guerbet's Board of Directors will be asked to appoint Jean-Hugues Lecat as Chairman to replace Didier Izabel (who will remain a Director and Chairman of the Audit Committee until his term expires in 2026).

4.3 CONSOLIDATED COMPANIES

The consolidated companies are listed in note 30 to the consolidated financial statements (see section 6.1 "Consolidated financial statements and notes").

4.4 RESULTS OF SUBSIDIARIES HELD BY GUERBET S.A.

The results of the subsidiaries controlled by Guerbet S.A. are presented in section 6.3 of the notes to the Guerbet S.A. financial statements.

4.5 COMPANIES DIRECTLY OR INDIRECTLY CONTROLLED BY GUERBET S.A.

The companies controlled directly or indirectly by Guerbet S.A. within the meaning of article L. 233-3 of the French Commercial Code and the stake in the company's capital held by them (treasury shares) are listed in section 6.3 of the notes to the Guerbet S.A. financial statements.

4.6 TRANSACTIONS IN TREASURY SHARES OF GUERBET S.A.

Number of shares purchased and sold during the fiscal year:

- Number of shares purchased during the fiscal year: 63,219 (see section 3.5 "Share buyback program").
- Number of shares sold during the fiscal year: none.

Number of shares registered in Guerbet S.A.'s name at the close of the fiscal year and their value measured at the purchase price as well as their nominal value:

- Number of shares registered in the company's name at the close of the fiscal year: 63,222 (see section 3.4 "Shareholding structure").

- Value measured at the purchase price: €1,065 K.
- Nominal value: €1.
- Fraction of the capital that they represent: 0.5% (see section 3.4 "Shareholding structure").

Authorization to buy back shares and the conditions under which the shares were bought back and used during the last fiscal year ended:

- See section 3.5 "Share buyback program."

4.7 STATEMENT OF NON-FINANCIAL PERFORMANCE

Refer to chapter 5 "Statement of non-financial performance."

4.8 RISK MANAGEMENT, INTERNAL CONTROL, AND INTERNAL AUDIT

Guerbet's risk management system is structured around the concept of the three lines of control as defined by the IFACI (French institute of auditors and internal controllers), allowing each person's risk management and internal control roles and responsibilities to be distributed clearly and effectively.



Through its Audit Committee, the Board of Directors is responsible for monitoring issues relating to the effectiveness of internal control, internal audit, and risk management systems.

Together with the Executive Committee, the Chief Executive Officer is responsible for the risk management, internal control, and internal audit system.

The first line of control is the responsibility of each operational manager and their employees in their day-to-day activities. Each line manager is responsible for putting in place the appropriate preventive controls and means of detection for risks related to their activities or any necessary corrective measures recommended by the second line of control functions.

The second line of control includes:

- the functions that oversee risks, in particular the HSE and Risk Management function (see section 4.8.1) and the Internal Control function (see section 4.8.2); and
- all support functions in their area of expertise (human resources, purchasing, finance, legal, compliance, quality, etc.). They contribute their expertise and make recommendations in their areas of expertise.

The third line of control involves providing the General Management and the Board of Directors with reasonable assurance of the level of risk control independently and objectively. This activity is carried out by the Group's internal audit function (see section 4.8.3).

4.8.1 Risk Management

The risks to which the company is exposed are identified, assessed, and ranked. A mapping of the Group's major risks is thus drawn up and regularly updated. Risks are categorized by theme. Their assessment takes into account the severity of the potential impact, the probability (qualitative or based on feedback) of occurrence, and the current level of control. All sectors of activity are assessed twice a year.

Once the risks are identified, the Risk Manager meets twice with the "owners" of these risks to follow up on the action plan and update it if necessary. A presentation is made to the Executive Committee twice a year to discuss the risks and progress on the action plans.

In 2022, Guerbet acquired specialized RMIS software incorporating internal control and internal audit. All risks have been integrated into this new platform, which simplifies the monitoring of risk trends and actions, allows links to be made between risks and control elements, and provides a global, dynamic view of risks while improving efficiency.

Risk mapping is discussed and reviewed by the Audit Committee and then by the Board of Directors with the Risk Manager and the Chief Executive Officer at least once a year. Certain risks, such as cybersecurity risks, are specifically monitored more frequently by the Board of Directors. At each Audit Committee meeting, a specific risk is reviewed in depth with the Risk Manager.

The Risk Manager, who is responsible for promoting and developing risk management skills, transmits know-how and expertise while providing methodological support to line management and the identified risk "owners."

The Risk Manager also optimizes the cost of risk by possibly transferring it to the managed insurance policies.

At monthly meetings, the Risk Manager communicates and shares information with the Internal Control Department, discussing the description of risks, their rating, and the control methods. This work refines the perception of risks and strengthens the monitoring and effectiveness of control methods.

Lastly, the Risk Manager is called on by the Internal Audit Department to provide a view of the risks and relevant topics to be audited. Guerbet has decided to position the Risk Manager function within the Audit and Internal Control Department for stronger exchanges and links between its three functions.

The insurance program allows the Group's insurable risks to be secured through the purchase of centralized insurance. This program incorporates the various liability and damage insurance policies covering the Guerbet Group and its officers, personnel, and assets. The use of global brokers allows all of the Group's activities to be covered. The brokers and our insurers provide support and expertise to the Risk Management Department during the project design phases and, where appropriate, in the management of insured losses. The program covers five areas:

- civil liability;
- damage and consequential loss;
- insurance for loss of goods in transit;
- "travel" insurance;
- cyberattacks.

4.8.2 Internal Control

Definition

Internal control is a process implemented by the Board of Directors, the Executive Committee, and the Group's officers as well as all employees so that there is reasonable assurance of achieving the objectives relating to:

- effectiveness and efficiency of internal processes;
- reliability of financial information;
- compliance with applicable laws and regulations;
- safeguarding assets and preventing fraud.

Internal control thus contributes to risk control but cannot provide an absolute guarantee that all risks are completely eliminated or controlled.

Objective

In this context, the objectives of the Internal Control function are to:

- structure, build, and maintain the Group's risk control system according to the process and the roles and responsibilities defined in the Group's Internal Control Charter, validated by the Chief Executive Officer and the Audit Committee, based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework;
- analyze the main processes with the managers concerned to build the Group's internal control guidelines;
- support them in drafting Group policies and procedures;
- maintain a document base accessible to all Group employees containing the main Group policies and procedures (processes outside the scope) and the existing internal control standards;
- maintain the Group's signature delegation system;
- lead a network of specialists to promote internal control and deploy internal control guidelines within the Group's main entities in order to ensure the existence of appropriate controls within them or to help strengthen them by defining actions to be taken;
- conduct self-assessment campaigns.

Organization

The Internal Control function reports to the Audit, Risk, Internal Control, and Ethics Division, which reports to the Chief Executive Officer.

It is supported by a network of specialists at different levels:

- the managers of functions/entities/plants within the Group, who are responsible for implementing internal control within their scope of responsibility;
- the Financial Controllers and the Internal Control specialists, who coordinate the implementation of internal control within their scope of responsibility and then report on the progress to Group Internal Control.

Work

In 2023, the teams conducted self-assessment campaigns on the application of controls. The assessed cycles pertained to the security of our IT systems and the recruitment process.

Beyond this key project, coordination work continued with the following functions:

- the Risk Management function in order to ensure that Internal Control systems are consistent with the mapping of the Group's major risks;
- the HR function in order to introduce newcomers to the organization of the function as well as access to essential information and documents (for example, ethics charter, Group policies and procedures, and internal control, etc.).

In addition, the Internal Control function is committed to continuing the projects within the Group, in particular through the following work:

- updating the process mapping and associated key documents with the departments concerned;
- launching a pilot for second-level controls;
- developing Data Analytics to support our internal control approaches;
- coordinating the annual review of access to critical information systems;
- regularly raising Group employees' awareness of the risk of fraud;
- providing ad hoc support on subjects in connection with the strategic deployment of our ERP.

A 2022 review and the 2023 outlook of the Internal Control activity were presented to the Audit Committee in the first quarter of 2023.

Procedures for preparing and processing financial and accounting information

Guerbet's consolidated financial statements are prepared in accordance with international financial reporting standards (IFRS). The Administrative and Financial Division is responsible for preparing the financial statements.

According to a schedule and consolidation instructions sent to the entities by the Administrative and Finance Division, the entities prepare a consolidated monthly report using a single software program.

At each accounting close, the accounting teams review the accounts, and the Financial Controllers analyze and explain variances in the results from one period to the next and divergences from the budget.

At the quarterly closing of the accounts, the Audit Committee reviews the accounts.

This process is supplemented by the Statutory Auditors' operations and certification work for the individual annual financial statements and the consolidated half-year and annual financial statements.

4.8.3 Internal Audit

Within the Group, Internal Audit provides an independent and objective assessment of the effectiveness of the control systems in place in relation to the main risks identified in the company.

Internal Audit governance is defined in an Internal Audit Charter approved by the Chief Executive Officer and the Audit Committee. This charter specifies the duties, areas of operation, and responsibilities of Internal Audit and the methodologies used to carry out Internal Audit tasks.

Internal Audit's scope of responsibility covers all Group operations, functions, and legal entities. Internal Audit reports to the Audit, Risk, Internal Control, and Ethics Division, which reports directly to the Chief Executive Officer and communicates regularly with the Audit Committee. This organizational structure supports the necessary independence of Internal Audit within the organization while promoting coordination with the Internal Control and Risk Management departments, which contribute to the control of risks within the Group scope. The Internal Audit team consists of two senior internal auditors who report directly to the Director of Audit, Risk, Internal Control, and Ethics.

Through its work and recommendations, Internal Audit helps to improve the organization's overall performance by regularly and methodically assessing the risk control and governance processes.

The Internal Audit plan is presented each year to the Audit Committee, which reviews it, adjusts it if necessary, and issues a positive opinion before it is deployed. This annual internal

audit plan is based on the risks identified at Group level and on various information gathered during interviews with members of the Executive Committee or the Group's sector experts. The Audit Committee issued a favorable opinion on the proposed Internal Audit plan for 2024 at its meeting on November 17, 2023.

Audit reports detailing the recommendations specific to each mission are drafted and circulated to the individuals concerned and to the Executive Committee members responsible for the audited activities. An oral presentation is provided at Audit Committee meetings, and the reports are made available to Audit Committee members. The Audit Committee monitors the progress of the implementation of the action plans defined following the audits.

In 2023, the Director of Audit, Risk, Internal Control, and Ethics gave presentations at five Audit Committee meetings, including:

- a report on Internal Audit activities for 2022 and the outlook for 2023;
- a summary of internal audit findings. In 2023, these findings pertained to audits of industrial plants and sales entities in 2022 and 2023;
- regular monitoring of progress on action plans following the audits;
- the proposed internal audit plan for 2024;
- updates to the internal audit charter.

4.9 RISK FACTORS

Mapping of main risks

Guerbet regularly reviews risks that could have a significant impact on its activity, financial position, and results.

In addition to the risk categories identified below, an analysis of geopolitical issues and risks is also conducted to identify areas of risk for the Group's activity. For 2023, the analysis included, for example, the potential consequences of the war in Ukraine and the Gaza Strip for Guerbet's activities. Guerbet then identifies and classifies the Group's main specific risks in

three categories: (1) legal risks, (2) strategic risks, and (3) operational risks. In order to determine the significance of each of these risks, they have been rated on a scale of severity and probability from 1 to 4 ("low to major" scale for severity and "rare to highly probable" for probability), taking into account the effect of risk management measures. For each category, the risks are listed in decreasing order of significance.

Category	Risk description	Ratings	
Strategic risks	Risks relating to the consequences of inflation	Severity	4
		Probability	4
	Information system and cybersecurity risks	Severity	4
		Probability	4
	Risks relating to the consequences of global warming	Severity	4
		Probability	3
Operational risks	Purchasing and subcontracting risks	Severity	4
		Probability	4
	Environmental and safety risks	Severity	4
		Probability	2
	Risks relating to product quality and safety	Severity	4
		Probability	2
	Risks associated with the impact of geopolitical tensions in the Middle East and Ukraine on Guerbet's supply chain	Severity	4
		Probability	3

These main risks specific to Guerbet, as well as their impacts and the measures implemented to manage them, are described below.

Description of risks	Control actions
STRATEGIC RISKS	
Risks relating to the consequences of inflation	
Following the reopening of the economy after the pandemic, the main cause of inflation has been rising energy prices. The Russian-Ukrainian conflict has exacerbated these phenomena. In 2022, this caused industrial prices to rise by about 40% in the euro zone. In 2023, this phenomenon changed little. Guerbet was mainly affected by procurement and raw material costs for commodity chemicals and iodine.	The Group is continuing its policy of cost control and has managed to limit the increase in energy prices through its existing purchasing policies and contracts. Costs are also controlled by actions taken with our suppliers, including contract reviews, ongoing negotiations with our strategic suppliers, and maintaining our strong, long-standing relationships. You can read about the actions in the "Purchasing and subcontracting risks" section below in this table. Lastly, Guerbet anticipates that inflation could continue for several years and has taken this into account in its medium-term strategy.
Risks relating to the consequences of global warming	
Climate change brings about physical and transition issues such as: • physical risks for our industrial plants and main suppliers in our supply chain due to severe and chronic weather phenomena (such as temperature, drought, precipitation, and natural disasters) and the financial impact of these risks; • transition risks related to the scarcity of resources, the strengthening of market requirements and regulations, reputational issues related to the expectations of internal and external stakeholders, and the financial impact of these risks. Guerbet stepped up its climate risk assessment as part of the preparation of the "Climate Strategy" on physical and transition risks. Physical risks were analyzed for all of our industrial plants and for Guerbet's key suppliers deemed to be most at risk. This assessment was performed using an analytical tool to measure the exposure of assets to climate risk, assess the vulnerability of activities, and define the risk mitigation strategy. This analysis was refined by incorporating a financial estimate of the main risks and opportunities.	A summary of the risks and opportunities that could have a significant impact on the Group is presented in section 5.3.1.1 "Climate risks and opportunities." This summary identifies the main risks and opportunities that could have an impact on activities, the supply chain, costs, and competitiveness. This is why Guerbet has implemented action plans such as measures to reduce energy consumption, optimize processes, and control waste. Guerbet has also formalized its decarbonization ambition. See section 5.3.1.2 "Decarbonization." A decarbonization roadmap including industrial projects is included in Guerbet's five-year medium-term plans. This includes dedicated CAPEX. Physical risks are addressed as part of emergency procedures at plants at risk of hurricanes. Industrial plants facing risks of extreme temperatures are changing the design of vulnerable equipment to adapt to them. Industrial plants are adapting their lead times and inventory to cope with any production plant or supplier disruption. All these actions are integrated into the business continuity program of the Group and the industrial plants.

Description of risks

Control actions

Information system and cybersecurity risks

The Group is exposed to the risk of failure of its information systems in the event of a malfunction, malicious act, or cyberattack. If this risk were to materialize, it could result in the loss or corruption of sensitive data such as product information, customer information, or financial data. Such a risk could also result in partial or total unavailability of certain systems, disrupting the processes involved.

Since 2020, Guerbet has seen an increase in cyberattacks especially through attempted phishing in an overall environment of an intensification of attacks due to the pandemic crisis and widespread teleworking.

To protect itself against this risk, the Group applies a series of measures to ensure the protection of sensitive data, including the securing of its servers at its own sites or at external sites, the streamlining and centralizing of its information systems, regularly tested business continuity plans, and vulnerability audits.

The Board of Directors reviews the cybersecurity risk analysis several times a year.

In 2022, the Information Systems Department stepped up the training and information campaigns on the risks of cyberattacks (phishing). Test emails are regularly sent to all employees to check their ability to detect phishing emails.

Network traffic protection and monitoring software is regularly updated.

The active directory protection structure has been strengthened.

Lastly, multifactor identification has been extended to all users.

OPERATIONAL RISKS**Purchasing and subcontracting risks**

These risks could materialize through the failure of a service provider, which could lead to a disruption in the supply of raw materials, strategic packaging components, or materials used to manufacture medical equipment.

These risks could also materialize through the discontinuation of a service.

Since 2020, the global economy has been severely disrupted (pandemic, transport disruptions, and unavailability of certain raw materials). The war in Ukraine has exacerbated these already existing disruptions. Despite this context, our suppliers, service providers, and subcontractors managed to maintain their activity to ensure the continuity of Guerbet's activities.

The Purchasing Department, together with the main internal users, in particular the industrial plants, assesses the performance of our suppliers and subcontractors several times a year using the "Pestel" method. This multicriteria method allows performance to be evaluated in terms of reliability, meeting deadlines, quality, HSE and costs.

There is an associated action plan incorporating priority management, taking into account the availability of technical resources. This plan is reviewed quarterly with the plants involved and the Industrial Operations Division. An additional review is conducted with the support departments (Purchasing, Quality, HSE, and the Industrial Division).

In addition, Guerbet has developed a service provider selection process. Strategic service providers are included in an audit plan drawn up and implemented annually.

Negotiations are conducted to obtain medium- and long-term supply agreements.

A plan to qualify a second source for strategic raw materials is implemented based on available technical resources.

Guerbet trains its employees in the management and control of subcontractors. A review of the financial data of our key suppliers has been added to our risk analysis approach.

Guerbet has conducted "Market" trend analyses to refine its strategic positioning.

Guerbet has reviewed the order lead times for high-demand raw materials, while revising its inventory strategy to pre-empt any delays.

Lastly, air freight is the variable that allows us to make any necessary adjustments to deliver to our customers on time.

Description of risks	Control actions
Safety and environmental risks The production of active chemical ingredients for contrast media entails various safety and environmental risks. These risks, especially the risks of fire, chemical exposure, and environmental pollution, are due to the dangers inherent in the use of certain raw materials, solvents, and reagents, the use of industrial processes to transform them into active ingredients, and the treatment of production waste. Guerbet's production activity is carried out at eight different industrial plants. The three active ingredient production plants (Lanester, Marans, and Dublin) have the Seveso classification and are therefore subject to the European Union's Seveso Directive. If these operating risks were to materialize, they could harm people and property, pollute the environment, lead to plant shutdowns, and, in some cases, make the Group liable for civil and/or criminal penalties and the payment of damages. The occupational health, safety, and environmental conditions at Guerbet's production plants are regularly inspected by the authorities. To control these risks, the Group deploys a policy and develops a system for Health, Safety, and Environment (HSE) management. Guerbet has defined HSE objectives throughout the Group, especially at the industrial plant level. The Group gives top priority to the safety of its employees. To this end, considerable human and material resources are deployed. At each establishment, the plant director, who is responsible for implementing the HSE policy, appoints a dedicated manager. The administrative authorities work with the plants to define the objectives to be achieved in terms of environmental performance (discharge thresholds, supervision of activities). The Group takes measures to ensure that the targets are reached.	The industrial plants roll out vital safety procedures (work permits, lockouts, fire permits, confined spaces, etc.) to reinforce accident prevention. HSE risk analyses (including analyses of risks relating to processes in active ingredient production plants) and audits identify the necessary means for continuous improvement of operational safety management. The HSE objectives resulting from risk analyses and audits are documented in regularly monitored action plans. The Group and the plants organize HSE training programs rolled out to all staff. The Group has also developed a system for reporting all HSE events incorporating a systematic search for root causes, including analysis of the human factor. To strengthen our HSE management system, Guerbet has digitalized the main processes of its guidelines: • accident and incident reporting; • risk analysis; • HSE awareness meetings; • field safety visits; • feedback on hazardous situations and ideas for improvement; • monitoring of preventive and corrective actions. Digitalization continued in 2023 and has strengthened our management system with better flexibility, responsiveness, and monitoring. The chemical plants continued and accelerated the process risk analyses based on the HAZOP (Hazard Operation) method for greater reliability. In 2023, days dedicated to HSE topics raised employee safety and environmental awareness (safe behavior, fire safety, prevention, climate, etc.). These days are important times for group exchanges to reinforce the safety culture.

Description of risks

Control actions

Risks relating to product quality and safety

Customer satisfaction and patient health are two essential objectives of the Group. Risks relating to product quality and safety may result in the company being liable for harm caused by its products (drugs or medical devices) and the resulting financial consequences (loss of revenue), legal consequences (lawsuits brought by patients or class actions in particular), or reputational consequences (damage to the company's image with customers).

To protect itself against these risks, the Group constantly checks, examines, and assesses the entire production and distribution chain. It has a drug and medical device safety monitoring system that enables it to watch out for, monitor, and report to the health authorities any side effects arising when its products are used so that their effectiveness can be compared against any risk. The Group develops and provides its customers with products and medical devices whose effectiveness and safety have been proven by tests in accordance with current laws and good practices.

Guerbet provides its customers with reliable, balanced, and objective information about its products and makes sure that customers' questions and complaints are handled as quickly as possible by the centralized customer complaint management unit. The Claims unit works closely with the drug and medical device safety departments. Moreover, Guerbet's production and/or distribution facilities are regularly audited by the Group or by notified bodies and inspected by the health authorities.

The Guerbet Group has introduced a risk management policy based on recognized international standards, such as the ICH Q9 guidelines, making it possible to identify and categorize risks so that risk mitigation plans can be implemented. This approach has been incorporated into our quality management systems as required by current good practices in order to guarantee the quality, efficacy, and safety of our products and the performance of our medical services and devices.

Business discontinuity due to energy or raw material disruptions

The energy crisis could have an impact on the availability of electricity. In France, the phenomenon has been amplified by the difficulties encountered in the production of nuclear energy and the lack of water in our dams (climate crisis).

This energy crisis had no effect in 2023, but it could continue in 2024 in an unpredictable geopolitical climate.

The impact of a power outage would lead to a safety shutdown of the facilities, with production halting for four to twelve hours depending on the plant. The analyzed impact would be slight and have no repercussions on market supply. The financial impact would also be insignificant.

In 2023, Guerbet observed certain tensions affecting the supply of raw materials related to the Russian-Ukrainian conflict, the vast majority of which concerned basic chemicals such as hydrochloric acid. The potential impacts are supply delays or even occasional shortages. This risk will persist in 2024.

The industrial plants will be able to rely on their business continuity plans.

Safeguarding procedures have been drafted, and staff members are trained to apply them.

The facilities are designed so that equipment will trip in the event of unplanned outages. Accordingly, such outages cannot cause industrial incidents.

In addition, the French plants contribute to the energy restraint plan.

With regard to the risk of disruption in the supply of raw materials, the actions taken with our suppliers are specified above in the table in the "Purchasing and subcontracting risks" section.

4.10 OTHER LEGAL INFORMATION

4.10.1 Guerbet S.A.'s results for the last five fiscal years

(in €)	2023	2022	2021	2020	2019
Capital at year-end					
Share capital	12,641,115	12,641,115	12,641,115	12,602,674	12,596,161
Number of existing common shares	12,641,115	12,641,115	12,641,115	12,602,674	12,596,161
Number of existing preferred (non-voting) shares	—	—	—	—	—
Maximum number of future shares to be created					
• Through bond conversions	—	—	—	—	—
• Through exercise of subscriptions rights	—	—	—	62,870	69,383
Operations and results of the fiscal year					
Revenue excluding taxes with various services and products	534,288,345	482,114,693	468,989,125	406,835,598	468,197,865
Result before tax, employee profit sharing, depreciation and amortization, and provisions	66,517,604	69,244,672	39,790,993	29,018,235	28,545,062
Profit tax	4,098,617	2,687,458	(7,291,843)	(9,628,972)	(5,724,643)
Employee profit sharing due for the fiscal year	710,181	527,161	484,823	651,990	744,739
Result after tax, employee profit sharing, depreciation and amortization, and provisions	18,585,937	(77,407,478)	19,497,207	(12,699,402)	(15,939,618)
Distributed result	6,320,558 ^(a)	6,320,558	10,744,948	8,821,872	8,817,313
Earnings per share					
Result after taxes and employee profit sharing but before depreciation, amortization, and provisions	4.88	5.22	3.69	3.01	2.66
Result after tax, employee profit sharing, depreciation and amortization, and provisions	1.54	(6.12)	1.54	(1.01)	(1.27)
Diluted net income	1.37	(3.25)	2.58	1.40	2.95
Gross dividend per share	0.50 ^(a)	0.50	0.85	0.70	0.70
Personnel					
Number of employees at December 31	1,038	1,074	1,060	1,030	998
Total wages	70,440,021	64,215,637	66,555,651	66,280,282	63,586,686
Total payroll taxes	37,506,756	32,393,613	31,181,601	32,246,353	30,457,702

(a) This amount will be subject to the approval of the Shareholders of the General Meeting of May 24, 2024, called to approve the financial statements for the 2023 fiscal year.

4.10.2 Information regarding the breakdown of Guerbet S.A.'s trade payables and trade receivables by due date

4.10.2.1 Breakdown of trade payables by due date

The French law for the modernization of the economy introduced a limit on payment times of 60 days from the invoice issue date (or 45 days end of the month), effective from January 1, 2009.

At December 31, 2023, the trade payables on the balance of Guerbet S.A.'s individual financial statements broke down as follows:

<i>(in thousands of €)</i>	Past due more than 120 days	Past due 61 to 120 days	Past due 0 to 60 days	Current	Total
Suppliers of Goods and Services in France	—	—	1,930	7,684	9,614
Suppliers of Goods and Services outside France	2,530	1,252	10,884	4,924	19,589
Suppliers of Goods and Services	2,530	1,252	12,814	12,608	29,203
Suppliers of Fixed Assets in France	165	96	373	2,197	2,831
Suppliers of Fixed Assets outside France	244	—	614	334	1,192
Payments outstanding on equity securities	72	—	—	—	72
Suppliers of Fixed Assets	481	96	987	2,531	4,095
TOTAL	3,011	1,348	13,801	15,139	33,298

Invoices not yet received represented €55,915 K in Guerbet S.A.'s accounts at December 31, 2023.

At December 31, 2022, the trade payables on the balance sheet of Guerbet S.A.'s individual financial statements broke down as follows:

<i>(in thousands of €)</i>	Past due more than 120 days	Past due 61 to 120 days	Past due 0 to 60 days	Current	Total
Suppliers of Goods and Services in France	—	—	1,447	11,829	13,276
Suppliers of Goods and Services outside France	1,163	1,600	6,774	3,190	12,727
Suppliers of Goods and Services	1,163	1,600	8,221	15,019	26,003
Suppliers of Fixed Assets in France	3,538	103	922	1,709	6,272
Suppliers of Fixed Assets outside France	35	—	3	15,147	15,185
Payments outstanding on equity securities	72	—	—	—	72
Suppliers of Fixed Assets	3,645	103	925	16,856	21,529
TOTAL	4,808	1,703	9,146	31,875	47,532

Invoices not yet received represented €56,679 K in Guerbet S.A.'s accounts at December 31, 2022.

4.10.2.2 Breakdown of trade receivables by due date

At December 31, 2023, the non-Group trade receivables on the balance sheet of Guerbet S.A.'s individual financial statements broke down as follows:

NON-GROUP TRADE RECEIVABLES

	Article D. 441-I-2°: Invoices issued and unpaid at the end of the year and in arrears					
	0 days (411 accounts)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
Late payment ranges						
Number of invoices involved	344	45	9	3	22	79
Total amount, including taxes, of these invoices <i>(in thousands of €)</i>	17,743	720	67	61	158	1,006
Invoices relating to disputed receivables or bad debts						
Number of invoices excluded						2
Total amount, excluding taxes, of excluded invoices <i>(in thousands of €)</i>						1.1
Reference payment periods used (contractual or statutory period – Art. L. 441-6 or Art. L. 443-1 of the French Commercial Code)						
Payment periods used to calculate late payments	A vast majority of the payment periods used to calculate late payments are contractual periods.					

Invoices issued represented €541 K in Guerbet S.A.'s accounts at December 31, 2023.

4.10.3 Information on the acquisition of participating and controlling interests (article L. 233-6 of the French Commercial Code)

N/A.

4.10.4 Information on related-party agreements (article L. 225-38 of the French Commercial Code)

4.10.4.1 Agreements entered during the fiscal year ended December 31, 2023

N/A.

4.10.4.2 Agreements entered into previously but remaining in effect during the last fiscal year

N/A.

4.10.5 Other information from the management report contained in other sections of the Universal Registration Document

Apart from the information already presented in this chapter, the Guerbet group discloses other information that must be included in the management report in accordance with the French Commercial Code. The table below indicates the section that the reader should refer to for each type of information.

Type of information	Associated section of the Universal Registration Document
Research and development activity	The Guerbet Group – pages 24 to 29
Issue of performance shares and stock options to corporate officers	Corporate governance – pages 75 to 76
Issue of performance shares and stock options	Capital and shareholding structure – pages 88 to 90
Equity stakes acquired during the fiscal year	The Guerbet Group – pages 30 to 31
Compensation of corporate officers:	Corporate governance – pages 60 to 76
• Information on compensation	
• Information on pension commitments	
Holders of capital and voting rights	Capital and shareholding structure – page 84
Employee shareholdings	Capital and shareholding structure – page 84
Total dividends paid for the last three fiscal years	Capital and shareholding structure – page 83
Total non-deductible expenses referred to in Article 39-4 of the French General Tax Code	Financial statements and related notes – page 236
Employee, environmental and social information	Statement of non-financial performance – pages 111 to 172

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This chapter is an integral part of the management report, in accordance with articles L. 225-102-1, R. 225-105, and R. 225-105-1 of the French Commercial Code relating to companies' transparency obligations. This social, environmental, societal, and human rights information is published as part of a continuous improvement process based on the mapping of risks and opportunities specific to Guerbet.

This chapter has been verified by an independent third-party organization, whose limited assurance report is presented in section 5.6.

A methodological note on data consolidation can be found in section 5.5 "CSR Data Consolidation Methodology," specifying the definitions, methodology, and scope of the various indicators.

5.1 CSR GOVERNANCE, STRATEGY, RISKS, AND OPPORTUNITIES

Our corporate purpose, a strategic compass, is to build lasting relationships for better living.

At Guerbet, we build lasting relationships. We believe in the connection between human beings and the positive effects of cooperation. Day after day, since 1926, we have endeavored to ensure that these bonds develop, grow, and last.

We are committed to the long term thanks to the family origins of our company and the convictions of those who are part of it.

"Human cooperation" is key to all our relationships and actions with patients, healthcare professionals, employees, public authorities, partners, Shareholders, society, and the world. Our relationships are built on respect and integrity to ensure truly value-driven cooperation.

For better living. We think of each patient who benefits from our products somewhere in the world every second. We seek to make their lives better through a diagnosis or a treatment that we aim to be ever more effective. We give our attention to every human being in our environment and aim to act conscientiously to preserve living things. In all humility, we want to be of service, and we do our utmost to achieve this.

At Guerbet, we believe that we have a role to play in improving society. Our CSR commitment is aligned with our corporate purpose, which describes why we do what we do as a company in a unique way to address social and environmental issues.

In 2023, in line with its corporate purpose, Guerbet refocused its CSR commitment on the two People & Planet pillars described as follows: "In everything we do, we seek to build lasting relationships to preserve the living world."



The Group's business model is presented in section 1.1 of this Universal Registration Document.

5.1.1 CSR governance and organization

Guerbet Group has been committed to a proactive CSR approach for many years, historically driven by the Guerbet family, the majority Shareholder.

The CSR strategy is proposed by Group Management and validated by the Board of Directors after receiving a recommendation from the Ethics, Governance, and CSR Committee.

At Guerbet, the ambassador team in charge of HSE & CSR coordination reports hierarchically to the VP of Technical Operations and functionally to the VP of Human Resources, who are both members of the Executive Committee. The HSE & RSE team is responsible for developing the CSR commitment and coordinating and implementing the road map with key contributors.

Our previous CSR road map was developed for 2018-2023. It was worked out based on the mapping of CSR risks and opportunities, designed in particular following interviews with members of the Executive Committee and members of the Board of Directors.

In connection with our People & Planet commitment and building on the actions that we have already initiated, we are developing new road maps based on the work in progress on the CSRD (Corporate Sustainability Reporting Directive, designed to provide a framework for non-financial reporting at the European level) and in connection with the double materiality analysis.

In 2023, the new CSR policy was placed on the agenda of the Executive Committee and the Ethics, Governance, and CSR Committee of the Board of Directors, in particular to confirm our new positioning: People & Planet. This meeting provided an opportunity to present the progress made on the road map, climate risks and opportunities, and the decarbonization strategy. Developments and progress in connection with the CSRD were also discussed.

Our CSR commitments are integrated into the company's performance by incorporating CSR criteria in our internal management and recognition tools: variable compensation for the CEO, monthly safety and environmental indicators for industrial performance, profit-sharing agreement, bonuses, and bonus share issue plans.

5.1.2 CSR strategy

Guerbet's mission is to provide healthcare professionals with the contrast media, medical devices, and innovative solutions that are vital for diagnostic and interventional imaging to improve patient prognosis and quality of life. Driven by our passion for our work, every day we strive to combine performance, quality, and sustainable development.

In keeping with our medium-term strategic plan (see section 1.1 "Our business model"), we are making our CSR commitment a real performance driver and a differentiating factor.

Our CSR commitment is aligned with our corporate purpose, which describes why we do what we do as a company in a unique way to address social and environmental issues.

In everything we do, we aim to build lasting relationships to protect living beings:

- by creating all the conditions for cooperation to protect human beings;

- by integrating environmental criteria throughout the life cycle to preserve our planet.



This ambition is built around our stakeholders and the identified CSR risks and opportunities, taking into account Guerbet's activities and what sets it apart, to contribute to the Group's sustainable performance by supporting the deployment of its development strategy. It is also consistent with the Group's values: **ACHIEVE, COOPERATE, CARE, INNOVATE.**

5.1.3 Mapping of CSR risks and opportunities

Guerbet has formalized the mapping of non-financial risks and opportunities and the associated road maps using the following methodology:

Formalization of the universe of risks and opportunities	Identification of the main risks and opportunities	Formalization of the road maps
• Taking into account the specific characteristics of Guerbet, customer expectations, and requirements of local authorities • By conducting interviews with the Chairperson of the Board of Directors and the Chairperson of the Ethics, Governance, and CSR Committee, as well as with members of the Executive Committee and Key Directors of the Group	• Taking into account existing control policies/methods • Online rating questionnaire • Workshop to rate and identify the main risks and opportunities • Validation of mapping by the Chief Executive Officer	• Analyses of best practices • Workshops with risk/opportunity owners • Validation of road maps by the Executive Committee • Presentation of the road maps to the Board of Directors

Guerbet has identified the main CSR risks and opportunities, summarized and grouped in our People & Planet pillars and in the cross-Group Business Ethics pillar:

CSR pillars	CSR risks and opportunities
<i>People</i>	• Attractiveness for talents and employee development to support the Guerbet strategy • Health and safety of persons contributing to the activities • Quality and safety of products and services
<i>Planet</i>	• Environmental impacts on our plants • Environmental impacts of the supply chain • Impacts of climate change on our activities
Business ethics	• CSR impact of purchasing • Risk of corruption, influence peddling, conflicts of interest, and anti-competitive practices

The progress of the associated road maps is reviewed annually with the contributors and presented to the Executive Committee and the Ethics, Governance, and CSR Committee of the Board of Directors.

These risks and opportunities are reviewed in connection with the CSRD regulations and the resulting dual materiality analysis.

The main risks and opportunities are identified in the ES (statement of non-financial performance) by this logo:



The actions taken by Guerbet are identified in the ES by this logo:



In addition to its response to the main risks, the ES presents the Group's policies and actions in terms of collective agreements.

Guerbet also presents its animal welfare policy.

The risk of tax avoidance has not been identified as a material issue for the Group. Guerbet Group neither encourages nor promotes tax avoidance or operations in non-cooperative countries and territories for itself, its subsidiaries, or its customers.

Actions to promote physical activity and sports, foster the bond between the nation and the army, and supporting commitment to the reserves have not been identified as material issues for the Group. Local initiatives have been launched at certain plants to promote sporting activities.

Although integrated into our daily actions, the fight against food waste and respect for responsible, fair, and sustainable food supplies has not been identified as a material issue for the Group.

5.1.4 Guerbet's contribution to the Sustainable Development Goals

The Sustainable Development Goals (SDG) define global sustainable development priorities and aspirations for 2030. As a socially responsible company, Guerbet contributes to 15 of the 17 SDGs, summarized below and detailed in the CSR chapter.

SDG	EXAMPLES OF GUERBET'S CONTRIBUTIONS
	Guerbet promotes lasting employment for its employees. In addition, Guerbet employees who participate through the Guerbet Positive volunteer program contribute to solidarity and the fight against poverty through actions in the field or collections.
	As part of the Guerbet Positive volunteer program, Guerbet employees can contribute to reducing world hunger , for example, through initiatives such as food drives.
	Guerbet is a healthcare company, concerned with manufacturing healthcare products useful to patients . The health of its own employees is a key issue for the company , as reiterated in its HR and HSE policies: QWL and reduction of psychosocial risks approach, social protection, and an approach to protect the health and safety of employees and outside stakeholders.
	Guerbet contributes to training young people by taking on interns, developing work-study and VIE contracts, hiring young people after their internships or work-study programs, and promoting young employees to key, critical, or niche positions where skills are in short supply.
	Employee diversity is a source of human wealth, an asset and an opportunity to develop the Group's lasting performance, innovation, and creativity. The Group aims to achieve gender equality in the workplace . The Group aims to have the same proportion of women in middle and senior management as it does overall and has set goals.
	Aware of the ecological challenges, Guerbet has set a goal of reducing its water consumption and implementing measures to reduce and optimize effluents from the industrial plants.
	Guerbet Group is committed to ensuring that its entities comply with the fundamental conventions of the International Labour Organization (ILO). Guerbet implements preventive health and safety policies for its employees and outside stakeholders. In addition, Guerbet only works with suppliers committed to respecting human rights, labor laws, the environment, and business ethics .
	Guerbet applies a policy of continuous investments at its plants to ensure modernization of its facilities, in particular by favoring more environmentally efficient facilities.
	Guerbet promotes diversity , regardless of gender, age, marital status, sexual orientation, disability, national or ethnic origin, or religious or political beliefs, in recruitment and career development. Guerbet gives its employees the opportunity to help reduce inequalities through its Guerbet Positive volunteer program.
 	Guerbet is fully aware of the environmental challenges facing the world and pursues its development in a sustainable manner. The company is committed to reducing its environmental footprint across all its operations. The Group takes into account the challenges of climate change and is committed to a WB2°C trajectory by 2032 . Guerbet has also set targets for reducing water consumption and is developing approaches to the circular economy, preserving biodiversity, optimizing waste, and controlling discharges into the water and air.
 	
	Guerbet strives to develop an ethical environment within the Group , enabling it to prevent the risks of corruption and influence peddling and to ensure compliance with competition law.
	Guerbet has a volunteer program: Guerbet Positive . It is a commitment made by the company and its employees, a practical human contribution of value to non-profit organizations, their beneficiaries, and the causes supported, in line with our values and corporate purpose.

5.1.5 External recognition of Guerbet's CSR performance

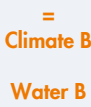
External awards

Guerbet was recognized as a socially responsible company for 2022 and 2023. Guerbet was ranked 120th out of the 250 companies awarded the label (up 27 places) and 9th in the health and pharmaceutical category out of 22 companies awarded the label in this category (up 3 places) among the 2,000 companies with more than 500 employees and offices in France.

The ranking is based on an analysis by the Statista Institute of a sample group of 2,000 companies with more than 500 employees, offices in France, and a CSR or equivalent report. The analysis focused on three areas: environmental, social, and governance. The Statista Institute also conducted a complementary survey of 5,000 French people on their perceptions of these companies.

External CSR results

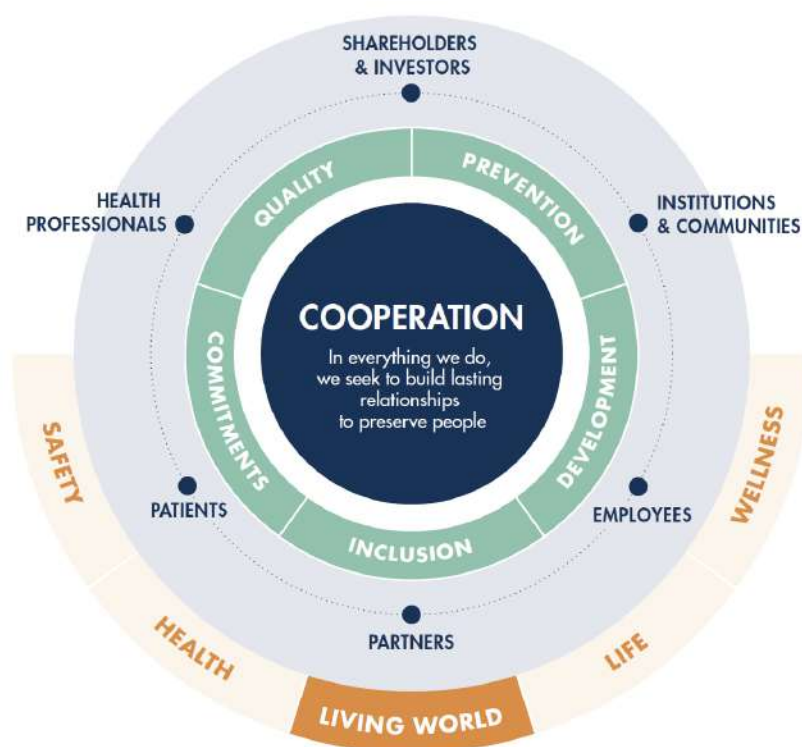
Summary

Organization	Scope/context	2021	2022	2023	2023 comments
 EthiFinance non-financial rating agency	ESG Gaïa Research: agency specializing in ESG ratings for companies listed on European markets.	73/100	72/100	 Gold level 76/100	2nd in the Healthcare Equipment and Services sector 4/155, Healthcare sector 8/113, national 3/239, over €500 million revenue category This rating, improved from the previous year, reflects Guerbet's maturity and efforts on ESG issues.
 International non-profit organization	Climate CDP recognizes the world's most active companies in the fight against climate change and the conservation of water.	Climate B	Climate B	 Climate B Water B	New for 2023: Guerbet's participation in the CDP Water
 Non-financial rating agency	Social Humpact measures the contribution to employment in France of the main listed companies.	4.5/5	4.5/5	 4.5/5	4/24 sector 37/295 listed companies
 Purchasing pool CAHPP (Central purchasing pool for private and public hospitals)	CSR CAHPP supports 3,300 healthcare institutions in their responsible purchasing with the Green Rating system.	NA*	A+ 79/100	 A++ 3rd prize 90/100	3 rd in the pharmaceutical sector with a score of 90/100 DM: score of 85/100 * Questionnaire redesign
 Purchasing group	CSR Evaluation of suppliers in connection with calls for tenders.	A	A 16/20	 A 18/20	On a scale from A to E

5.2 PEOPLE

In everything we do, we aim to build lasting relationships to protect human beings by creating all the conditions for cooperation based on five focuses:

- Prevention;
- Commitments;
- Development;
- Inclusion;
- Quality.



Guerbet applies a responsible social policy towards its employees based on:

- the fundamental principles of Balance, Fairness, and Ethics, structured around the following five main focuses: Quality, Prevention, Development, Inclusion, Commitments;
- the Group's values: **ACHIEVE, COOPERATE, CARE, INNOVATE.**

Respecting its employees is one of Guerbet's central concerns, as evidenced in its "CARE" value, applied to all the actors in its ecosystem. The Group believes that the people who work at the company are the driving force behind its success. Their well-being and safety are a guarantee of lasting performance. Within this people-friendly framework, Guerbet relies on a strong health and safety culture, promotes diversity, does not tolerate any discrimination or harassment toward others, and bases its sustainable development on listening and social dialog.

As of December 31, 2023, Guerbet Group had 2,920 employees worldwide⁽¹⁾.

BREAKDOWN OF WORKFORCE BY REGION (in %)



Under its responsible purchasing policy, Guerbet works only with suppliers who respect human rights and labor laws. Therefore, suppliers must not use forced labor, child labor, or illegal workers under any circumstances and must also ensure safe, healthy working conditions. These aspects are detailed in sections 5.3.4 "Lasting partnerships" and 5.4.1 "Human rights."

⁽¹⁾ This year-end headcount includes employees associated with the acquisition of Intrasure. The year-end headcount excluding Intrasure was 2,859.



5.2.1 Prevention

We put our purpose into action every day by taking care of others. The health and safety of our employees and the people who contribute to our activities are a priority embodied in the CARE Value.

Internally, this is reflected in the importance given to employee safety and health. Our ambition is to strengthen our safety culture with a view to achieving "zero incidents."

Regarding Health, Safety, and Environment (HSE), our approach is based on the Guerbet Operational Excellence Program and the following principles of continuous improvement:

- appropriation and implementation of Group standards;
- strong, visible leadership from managers, especially through "field safety visits";
- risk assessment and management: for our French sites, we update our single document and associated action plans at least once a year and whenever changes require it. Outside France, the plants use position or task analyses;
- chemical risk assessment and exposure to hazardous substances are part of the overall risk assessment process. Guerbet conducts specific analyses to identify positions potentially exposed to hazardous products. Biological risks are also included in these exposure measurements;

- Guerbet regularly measures noise levels at workstations. These noise maps are used to update risk assessments. Guerbet provides hearing protection for the most exposed positions and works to reduce noise through investments or workstation adjustments;
- consideration of HSE issues from the start of projects;
- commitment by everyone to apply the Guerbet Values (CARE), rules, and safety behaviors;
- commitment by everyone to suggest ideas for improvement and to report hazardous situations;
- reporting of events, root cause analysis, and cross-plant feedback;
- regular training and awareness raising;
- appropriate visual management;
- preparation for emergencies.

In line with the Group's strategy, Guerbet has formalized its HSE vision and designed the 2023 HSE road map with the objective of reinforcing the safety culture. This vision and the HSE road map were built around the following 10 structural elements of Guerbet's HSE management system.

CLOSER LOOK AT SAFETY



Guerbet's policy aims to preserve the safety and health of people at work through prevention actions and measures to improve working conditions. Safety and health are factors in the monitoring of management performance.

Prevention actions are carried out in conjunction with the occupational health units and local health and safety bodies, such as the Internal Incident Prevention Committee in Rio and the Works Councils and health, safety, and working conditions committees in France.

Guerbet deploys awareness programs involving employees by setting up teams of Safety Champions, for example, and organizing HSE days at all the industrial plants and at the head office, coordinated notably by employees, Safety Champions, and/or managers.

5.2.1.1 Safety of people

Achieving our safety objectives is the primary responsibility of the management team and requires the commitment of each Group employee.

The Group set a goal of reducing the TRIR⁽¹⁾ by 64% between 2017 and 2023. This indicator includes lost-time incidents, with medical restrictions or with medical treatment.

Improving safety results is a key annual objective for all employees:

- for the CEO and COMEX members;
- for industrial managers;
- for eligible employees, the reduction in the number of incidents is one of the criteria used to calculate variable compensation;
- for Guerbet employees in France, for whom this indicator is included in the profit-sharing calculation.

Each industrial plant has a dedicated HSE organization reporting hierarchically to the Plant Manager and functionally to the Group HSE and Risk Manager. Safety correspondents have been identified for the sales subsidiaries.

The HSE Operational Excellence Program of the industrial plants is supported by:

- communication on HSE and security events according to standardized definitions within 24 hours at the Group level;
- monthly reports from each plant to the Group HSE and Risk Management team on performance, management, and action indicators;
- performance reviews conducted quarterly at the industrial plants;
- cross-plant sharing of information and outside feedback through monthly meetings and an annual seminar;

- encouragement of safety leadership by managers (HSE dialog, presence in the field, leadership training, etc.);
- programs to encourage HSE improvements through reward systems (safety category awards).

In 2023, we launched the "We get what we deserve" safety initiative. This initiative consists of training and raising awareness among managers and their teams about the need for strict compliance with the rules and having all our employees accept that we cannot tolerate risky behavior or rule violations, which could have managerial consequences. We therefore clarified the rules and trained the managers, asking them to commit to zero tolerance, providing a clear distinction between kindness and complacency.

CHANGE IN THE GROUP'S SAFETY PERFORMANCE



5.2.1.2 Industrial safety

The production of active ingredients for contrast media entails safety and environmental risks. These risks are inherent in the hazards involved in manufacturing, transporting, using, and disposing of the raw materials, solvents, reactants, synthetic intermediates, and other products used.

Three of our industrial plants have the Seveso 3 classification:

- high threshold for the Dublin and Marans plants;
- low threshold for the Lanester plant.

These three plants are subject to specific requirements through prefectural orders concerning them. They regularly conduct and review hazard studies. These result in the introduction and monitoring of risk control actions to avoid industrial incidents. Internal procedures and staff training allow us to incorporate regulatory changes and maintain skills to control specific risks.

⁽¹⁾ Total Recordable Incident Rate: ratio of the number of incidents to the number of employees.

In consultation with local authorities (DREAL: Direction régionale de l'environnement, de l'aménagement et du logement), the Lanester plant decided to maintain certain requirements related to its former high-threshold classification, including the organization of emergency response systems, the safety management system guaranteeing the implementation of robust risk prevention processes, and the technological risk prevention plan (PPRT) to protect local residents. This decision demonstrates the high standards for continuous improvement in areas of industrial safety to ensure the safety of employees, local residents, and the environment.

The Marans and Lanester PPRTs manage urban development within defined areas according to the risks. Internal measures and investments to reduce the likelihood and consequences of incidents have been reinforced by regulatory requirements for greater protection of local inhabitants.

Guerbet's production plants are regularly audited and visited by the Group and inspected by the supervisory authorities.

The Marans plant has been a signatory of the Responsible Care® initiative since 2019.



This initiative is the global chemical industry's shared commitment to the safe management of chemicals throughout their life cycle and the promotion of their role in improving the quality of life and their contribution to sustainable development.

Closer look at the European REACH regulation

The European REACH Regulation (Registration, Evaluation, Authorization, and Restriction of Chemicals) came into force on June 1, 2007. The objective of this regulation is to protect human health and the environment by improving the identification of chemical substances and the intrinsic knowledge of their hazardousness. Guerbet has organized its activity to comply with the Regulation and ensure its implementation. The

Group's HSE and Risk Management team is responsible for coordinating REACH with internal and external contacts and ensuring that all chemicals concerned are registered.

5.2.1.3 Occupational health

With the occupational health units and the local health/safety bodies, Guerbet implements a health and prevention policy, actions to improve working conditions, and appropriate medical monitoring to preserve the physical and mental integrity of its employees.

In the industrial plants, in collaboration with the occupational medicine service, prevention programs are implemented according to the identified risks, such as hearing, vision, and atmospheric tests and training in the use of personal protective equipment (PPE). Awareness-raising activities are carried out to promote health, such as Pink October to raise awareness of breast cancer and Blue November to raise awareness of male diseases.

Through appropriate medical monitoring, Guerbet is able to anticipate employees' unfitness for work and provide solutions for adjustments of workstations or working time. Where appropriate, Guerbet looks for personalized job redeployment solutions, with the help of its disability committees, to try to retain employees in the workplace.

Many health initiatives are accordingly implemented in the plants and subsidiaries, such as the introduction of new equipment and/or organizational measures to improve ergonomics. We also offer awareness-raising campaigns on health, nutrition, high temperature risks, smoking, and cardiovascular disease as well as vaccination campaigns.

Guerbet offers all its employees in France access to a remote medical consultation service, including a psychological support unit, through preventative healthcare.



5.2.1.4 Action plan and results

As part of its health and safety policy, Guerbet has established the following road map aiming at “zero incidents” in its plants:

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Group safety	- Decrease the incident rate (TRIR) for Group employees, with an objective of 0.5 in 2023 - Improve incident monitoring for outside contractors	14 recorded incidents, in the TRIR sense, for the Group as a whole, including 11 lost-time incidents - The TRIR for the entire Group was 0.49, compared with 1.4 in 2017 - The workplace incident frequency rate was 2.4 - The severity rate for year N was 0.06 - The average severity rate over two years (N + N-1) was 0.09 - The severity rate for years N + N-1, taking into account days lost in year N-1 counted in year N up to a limit of 365 consecutive days, was 0.10
Safety of people, industrial safety, and environmental impacts on the industrial plants	- Implement the 2018-2023 industrial HSE road map - Perform HSE audits every two years at 100% of the industrial plants - Standardize the management and action indicators for all the industrial plants - Roll out the Group HSE policy at each of the industrial plants	- Rollout of the 2023 industrial HSE road map: - reinforcement of vital procedures (confined space guidelines) - continuation of the process risk analysis program (Hazop) at active ingredient production plants - studies of business continuity and emergency response plans - continuation of the gradual launch of the Group's HSE software at the industrial plants - HSE days at the industrial plants and the head office - deployment of the guidelines on roles and responsibilities - Regular visits to the French and Dublin plants by the HSE & Risk Manager - Definition of the 2023-2025 HSE road map - Launch of a zero-tolerance initiative for safety rule violations
Safety of sales subsidiaries and administrative units	- Deploy the TRIR indicator each month and establish communication within 24 hours of potentially serious incidents - Construct the sales and administrative HSE road map on the basis of the actions carried out in the French sales subsidiary and at the head office	- Maintaining and adapting protection and prevention measures to preserve employee health and safety - Safety training, including safe-driving training for our medical sales representatives
Health	- Continue to implement the HSE road map - Continue preventive health initiatives	- No occupational diseases were reported according to the criteria of local regulations - Influenza vaccination campaign at all industrial plants and for certain administrative and sales entities - Promotion of health during plant HSE days or through communications on health topics (tobacco, cardiovascular disease, etc.) or on certain occasions such as Pink October and Blue November

5.2.1.5 Closer look at social protection

Guerbet ensures that its employees receive social welfare benefits in accordance with the regulations and practices in force in the various countries in which Guerbet is present.

In France and the United States, given the trends in healthcare expenditures and coverage, Guerbet strives to maintain a good level of healthcare benefits for its employees. With regard to personal protection, Guerbet insures its employees against major personal risks.

5.2.2 Commitment

Guerbet has a Human Resources (HR) policy geared toward social engagement and seeking to attract potential and key skills for its areas of activity. Through a policy of ongoing professional development, we also promote internal mobility and the development of skills. Guerbet's human resource policies are designed to support its ambitions regarding employee recruitment, development, performance assessment, and recognition.

Guerbet's initiatives aim to secure employee engagement by developing initiatives for managers through a recruitment recommendation system, inclusion of questions on understanding and adherence to the Group's corporate purpose and values in candidate interviews, and the continuation of the volunteer program in France and the United States and its launch in other regions.

The implementation of HR policies is supported by a Human Resources Information System (HRIS) for management of all Group HR policies.

5.2.2.1 Recruitment and integration policy

Background and policy

Guerbet favors lasting employment, in line with the long-term vision of its strategy, and applies a recruitment policy to support changes in its business model, highlighting the need to attract strategic skills and scarce profiles. At the end of the year, 94% of employees were on long-term contracts.

As part of its policy of attracting and retaining employees, Guerbet is developing its employer brand, thereby reflecting strategic changes and aiming to make the Group more widely known and more attractive to new talent.

Guerbet has a global co-opting program, encouraging its employees to recommend people they know professionally or personally for job openings within the organization.

For newcomers, Guerbet organizes a personalized orientation program and quarterly induction sessions to present the Group's activities and strengthen their feeling of being part of the Group. These sessions are led by members of the Executive Committee or Management. Each plant also adapts these integrations locally. For example, the Aulnay-sous-Bois plant has set up various communications on the Guerbet Inside collaborative platform to announce newcomers and organize regular plant visits. The industrial plants also organize immersion days for employees from other entities, in particular for head office employees.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Recognition and recruitment	- Strengthen the employer brand globally - Recruit key skills at all levels of the company	- Continuous improvement of the recruitment policy: clarification of the process and the roles and responsibilities of each person (manager, HR, recruiter) - Continuation of the project to improve the digitalization of the recruitment process - Continuation of the co-opting recruitment program - Identification and creation of new talent pools - Identification of new institutions (schools and universities) for new partnerships

5.2.2.2 Recognition policy

Background and policy

Global recognition policy

Guerbet's employees are key to the Group's success. The recognition policy is an essential factor in its long-term performance.

Our global recognition policy covers all components of compensation for the company's employees. This policy includes monetary and non-monetary components, such as profit sharing, long-term compensation, and all employee development components. Guerbet's recognition policy has several objectives:

- attract and retain employees;
- equitably recognize the contribution of employees to Guerbet's strategy in a context of transformation;
- regularly analyze the competitiveness and structure of compensation compared with market baselines and country practices.

Direct compensation

We offer our employees attractive compensation tied to the assessment of their contribution to the company's success.

Annual increases take into account the employee's individual performance as well as the positioning of the employee's salary relative to the market. In addition to this fixed compensation, there is variable compensation in the form of bonuses and/or profit sharing tied to individual and collective objectives incorporating CSR criteria (such as safety and the environment) and other factors.

Indirect compensation and benefits

In addition to direct compensation, we offer a "Compensation and Benefits" package that includes the following components:

- monetary and non-monetary recognition of individual and collective performance;
- competitive welfare, health, and retirement coverage;
- granting of bonus performance shares: since 2016, the General Meeting has authorized the Board of Directors to issue performance share allocation plans. The most recent plan was approved by the Board of Directors in 2023 and includes financial and CSR criteria;
- company cars available to certain categories of employees;
- certain expenses covered, depending on local laws;
- possibility of teleworking and implementation according to eligibility categories.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Compensation	• Involve employees in the company's growth and development, in particular by granting performance shares to enable Group employees to become Shareholders	• A new performance share plan was approved in 2023 based on financial and CSR criteria • At December 31, 2023, 3.66% of the share capital was held by the Group's employees

5.2.2.3 Quality of life at work

Background and policy

Guerbet's ambition is to promote a good work/life balance by providing a satisfactory working environment for its employees. This approach includes the creation of a safe working environment, attention to the development of management practices promoting proximity with employees, and attention to their well-being.

A safe working environment contributes to the quality of life at work, which is reflected by our key focus: Safety First. Guerbet is a player in healthcare. Internally, this mission is reflected in the priority given to employee safety and health.

To enable employees to learn of and understand progress on the Group's strategic plan and to make it meaningful, the Executive Committee organizes a videoconference for all Group employees once a month.

Employee information and expression are also promoted by the available digital solutions, such as the collaborative software solution Guerbet Inside, the online collaboration tool that facilitates teamwork, relationships, and dialog.

Guerbet is gradually deploying programs to improve the quality of life and working conditions ("QLW") and prevent psychosocial risks (PSR). It also conducts targeted employee surveys involving local management:

- the QLW policy is part of the mandatory annual negotiations for all French entities;
- in 2023, management conducted a new engagement survey among all Group employees with a focus on the themes of communication, team collaboration, work-life balance, ethics and corporate responsibility, work atmosphere, recognition, and working conditions. The questionnaire's employee response rate was 77% (up 8 points from the previous survey). This approach of actively listening to our employees and collaborating has allowed action plans to be built and deployed. Employees and employer and worker representatives are regularly informed of progress on action plans;
- Guerbet has designated a psychosocial risk official for Guerbet S.A. to strengthen the concerted efforts of Management and employee representatives;

- signing the agreement on teleworking to promote work-life balance by providing good-practice guides for the organization of working at home and on-screen work;
- running workshops on “conscious management of physical, mental, and emotional resources in everyday life.”

Guerbet takes psychosocial risks into account in its management and deploys appropriate plans and programs. As part of this, a concrete action plan has been rolled out at the French plants to:

1. promote the right to disconnect;
2. train managers in objectification of the workload and involve them in co-development sessions;
3. coordinate the internal liaison group made up of regularly trained employee volunteers;
4. protect the health of independent executives in France through a special annual interview about their workload.

In 2023, initiatives to raise awareness and provide training in the prevention of psychosocial risks were carried out, including training for managers in Aulnay-sous-Bois and Villepinte and an awareness campaign in Lyon as part of the plant’s HSE day.

Support programs are in place at the Cincinnati, Dublin, and Raleigh plants and the sales subsidiaries in North America and Asia-Pacific to assist employees experiencing difficulties.

Guerbet offers all its employees in France access to a remote medical consultation service, including a psychological support unit, through preventative healthcare.

In addition, to foster pride in belonging and employee satisfaction, Guerbet encourages employee involvement and the organization of initiatives and events at the local and Group levels.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Employee satisfaction	• Deployment of targeted surveys involving local management	• Continuation of the program with a new engagement survey of all Group employees • The questionnaire’s employee response rate was 77% (up 8 points from the previous survey)

5.2.2.4 Labor relations

The Group has always encouraged dialog with employee representative bodies, which it considers to be full-fledged partners. For Guerbet, social dialog is conducted on the basis of mutual trust. It can be a lever for performance and a driver of transformation. It is based on transparency, communication, respect, and a shared commitment to achieving results. Similarly, union rights are recognized and respected in all countries where Guerbet operates.

Two employees are members of the Board of Directors. They serve six-year terms and have the same rights as any other Director. A representative of the CSE also participates in Board meetings without voting rights.

The Group’s social responsibility policy takes various forms in France, including agreements on gender equality in the workplace, quality of life and working conditions (“QLW”),

working time arrangements, working conditions, teleworking, and, more generally, employment. Collective working time arrangements have been introduced in the production sectors.

Conference calls organized by the Group Executive Committee each month help employees know and understand progress on the Group’s strategic plan.

In a broad sense, labor relations at Guerbet involve:

- promoting communication between all internal stakeholders: dialog between social partners and Management, between managers and their teams, and between the various sectors; and
- preventing conflict by encouraging free expression and being receptive, dealing early with potential situations of conflict, giving attention to working conditions, and gathering proposals for improvements.

5.2.2.5 Commitment of Guerbet and its employees to societal challenges

Guerbet has a global volunteer program: Guerbet Positive. It is a commitment made by the company and its employees, a practical human contribution of value to non-profit organizations, their beneficiaries, and the causes supported, in line with our corporate purpose, values, and CSR strategy.



Each employee volunteer can devote three days a year of working time to engage in expertise-based or field volunteer activities for the benefit of charitable organizations related to the causes supported by the program: health, environment, diversity & inclusion, and solidarity with local issues.

Since its launch in 2021, the program has been gradually rolled out across the Group's entities. It is in place in France, the United States, Prague, South Africa, Japan, our LATAM entities, and England.

Local champions and ambassadors in each region are responsible for rolling out and running the program.

This program reflects the commitment of Guerbet and its employees through initiatives to support individuals with disabilities and address health issues or efforts to address local needs and issues. Within this framework, in addition to individual volunteer activities, the plants organize initiatives during sustainable development weeks or at the end of the year, such as picking up litter, fundraising, and food distribution.

In 2023, more than 210 employees volunteered during their working hours (compared with 48 in 2022), working with around 30 organizations, for an employee participation rate in the program of more than 10%, in connection with their personal or professional skills, field activities, team activities, or fundraising.

Guerbet also remains committed in France to the organization Nos quartiers ont des talents (NQT). Through this partnership, employees mentor young graduates from priority neighborhoods and from disadvantaged social backgrounds. They help them define their career plan and improve their job search tools. They can also give them advice on adapting to corporate culture, prepare them for job interviews, develop their professional network, and help them gain self-confidence.

Since 2018, Guerbet has been involved with the French government initiative PAQTE (Pacte avec les quartiers pour toutes les entreprises). This pact is a commitment by companies

wishing to support inhabitants in priority neighborhoods targeted by the government's policy for the cities, with ambitious, quantified, evaluated objectives. The government has four main areas of commitment "for a targeted, shared and high-impact Pact." Because of its strong historical roots in economically troubled areas, Guerbet's commitment to the PAQTE reflects the Group's societal responsibility and its determination to become actively involved in these areas of activity.

5.2.2.6 Relations with local authorities and communities

Guerbet attaches particular importance to the quality of its communication with local and national authorities and undertakes to work with them in a transparent and responsible way, especially through its Public Affairs Division. Guerbet contributes to public debate by providing public institutions, legislators, and policymakers with technical expertise at the local, national, and international levels. In France, in accordance with the Act of December 9, 2016, on transparency, the fight against corruption, and the modernization of economic life (Sapin II), Guerbet is included on the public register of lobbyists.

Guerbet is a member of various professional clusters and associations, especially in France: LEEM, France Chimie, G5 Santé, MedTech In France, French Healthcare, club ETI Île-de-France, Medicen Paris Region, and others. Guerbet is also a member of trade associations in many other countries.

Guerbet develops research partnerships across all the continents, including the United States, Asia-Pacific, and Europe (detailed in section 1.6.5: "Public-Private Partnerships").

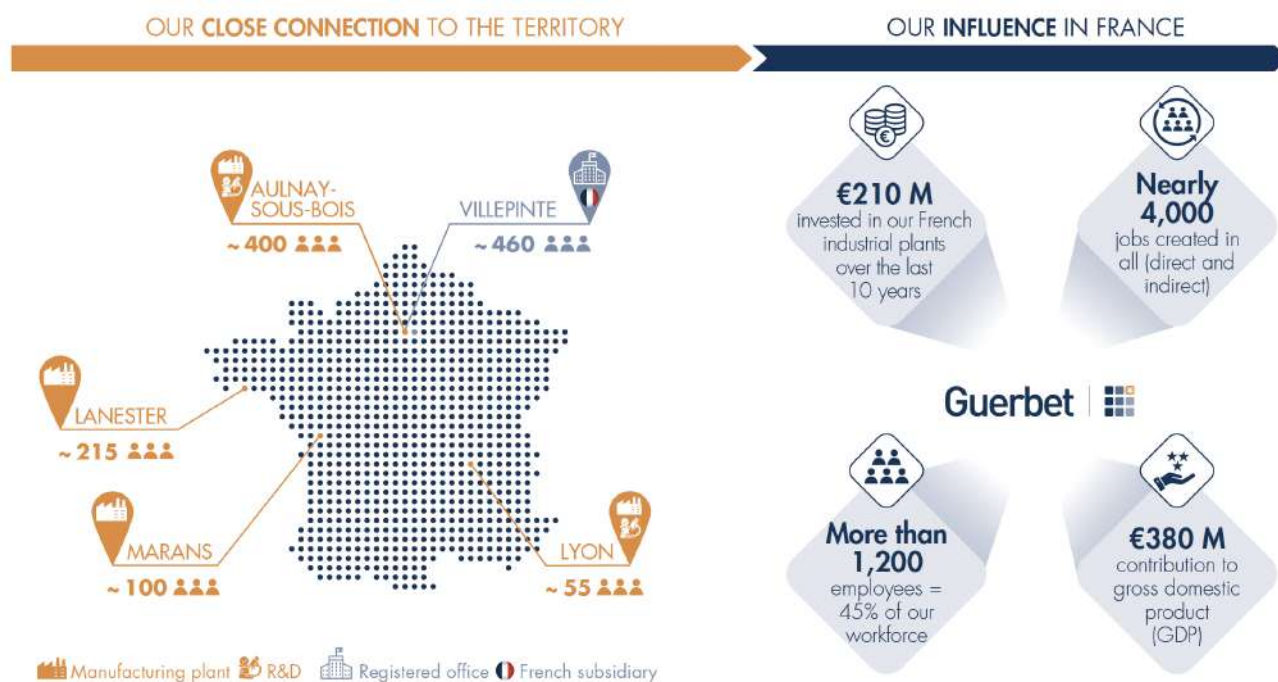
Guerbet also supports various organizations and associations. The Group recently established Guerbet Positive (detailed in section 5.2.2.5 "Commitment of Guerbet and its employees to societal challenges"), a program allowing employees to do volunteer work for up to three days a year during their working hours. The areas of engagement cover the topics of diversity and inclusion, environment, health, and local issues.

Guerbet also encourages employee involvement through partnerships with local high schools and universities (see section 5.2.2.5 "Commitment of Guerbet and its employees to societal challenges").

Guerbet develops relationships locally to promote the economic development of the regions in which it is established. Guerbet's industrial plants have close relationships with their local ecosystem and maintain contact with public authorities on issues such as the environment, employment, and industrial investments.

Guerbet is in regular contact with local authorities, particularly at its Seveso plants (see section 5.2.1.2 "Industrial safety"). In Marans and Lanester, the Plant Monitoring Committees (CSS), composed of five groups (state authorities, local authorities, the operator, local residences, environmental organizations, and the operator's employees), provide a forum for discussions and exchanges of information with a view to preventing environmental risks, monitoring the activity of safety-classified plants, and promoting public information.

Guerbet is also a committed stakeholder in the regions in which it operates. In 2022, Guerbet updated the economic study conducted for the first time in 2018 that measured the national and local impacts of Guerbet's activity on the French economy in terms of direct and indirect employment, investments that contribute more than two thirds to companies in France, and value added.



From 2011 to 2021, Guerbet's growth in value added was significantly more dynamic than in the rest of the economy and similar to the pharmaceutical sector as a whole.

5.2.2.7 Relations with patients and healthcare professionals

It is essential for Guerbet's teams to meet the expectations of patients and healthcare professionals by guaranteeing the availability of safe, effective, high-quality products and services and disseminating useful, reliable, substantiated information. Guerbet also manages its interactions with healthcare professionals in strict compliance with local regulations. The Group interacts with patient organizations and patients in a respectful, transparent manner.

Closer look at product information

Guerbet has a responsible promotion policy and respects the patient/physician relationship. The Group ensures that its information is objective, is not misleading, and promotes the rational use of its products. All promotional materials are properly checked and approved to ensure regulatory compliance.

Closer look at interactions with healthcare professionals

Guerbet encourages scientific interactions with healthcare professionals for the benefit of research or medical training and in compliance with local regulations.

To avoid any risk of conflicts of interest that could harm public health, the Group discloses its interactions with healthcare professionals in accordance with applicable regulations. To protect patient health, Guerbet respects the independence of healthcare professionals and requires its employees to behave ethically in their business practices.

Closer look at interaction with patient associations

Patients are at the heart of what Guerbet does. The Group interacts with patient organizations and patients themselves in a transparent and non-promotional manner. It works with them ethically and legally.

By exchanging views and listening to patients' experiences and the challenges they face, we can shape the future of medical research and disease management, from diagnosis to treatment, to better address patient needs. Only through open and transparent dialog between patients and the company can we ensure that the patient's perspective becomes an integral part of the way diagnostics, drugs, and medical devices are researched, developed, and delivered to patients.

Our partnerships with patient organizations help us to improve our knowledge of patient pathologies and information on our products and services available to patients and to optimize the care they receive.

To ensure transparent, ethical relationships, the principles of collaboration between Guerbet, patient organizations, and patients are defined in a dedicated corporate policy established in 2020.

5.2.3 Development

Background and policy

Guerbet Group has a job and skills policy. This policy is based on the continuous development of employees' skills, enabling them to acquire the knowledge, know-how, and interpersonal skills needed to master their job, striving for excellence and linking with businesses and careers to prepare for the future. This policy is also based on the development of links between sectors to permit the acquisition of new skills, and it fosters employees' mobility by enabling them to move to other positions within the company.

Continuous development of employee skills

Guerbet invests in the continuous development of its employees' skills, so as to acquire, develop, and consolidate the skills needed to perform their job functions in accordance with the applicable regulations and procedures, with a view to achieving full success and continually improving performance.

Guerbet also anticipates skills development needs to respond to expected changes in the sector, thereby supporting the transformation of the company and the achievement of its priority objectives in line with the Group strategy.

The areas of skills development are built in particular around the areas of Diagnostic Imaging, Interventional Imaging, Digital, and Augmented Intelligence in order to succeed in our projects and meet the expectations of our customers in the launch of our new products and solutions.

Particular attention is also given to operational excellence and continuous improvement, supported by digitalization and data analysis, to implement the strategy as efficiently as possible.

Guerbet is also vigilant in its compliance with ongoing changes in regulations and quality and safety requirements, while ensuring the utmost respect for the environment and a safe, healthy working environment for all employees.

To ensure that the Group's development is managed with the expected vigor and success, management and leadership skills and project management skills are encouraged and supported by specific programs.

In addition to the technical and managerial skills development programs supporting this development, a participatory cultural transformation program has been launched to support the development of cross-functional soft skills for successful development at all levels in connection with the Group's objectives and values.

Lastly, to continue to promote the Group's growth in an international context, Guerbet has maintained its investment in foreign language learning, including access to an online learning platform for all employees.

A variety of learning formats are offered to meet these technical or human skills development objectives, such instructor-led courses, coaching/mentoring, conferences, e-learning, reading of documents, and on-the-job training, in a work situation, in person, or remotely.

Also noteworthy is the use of the Guerbet Inside collaborative software solution, which promotes co-development through communities, the exchange of information (blog articles, videos, webinars, etc.), good practices, and tutorials, contributing to the learning culture within the Group.

This culture of learning between employees is reinforced by the involvement of internal trainers at the various Group plants. During the collective training sessions that they lead, they share their expertise and know-how, contributing to the transfer and capitalization of knowledge and the development of networks. In France, to support its in-house trainers, Guerbet launched an initiative offering training to trainers, including training on tools and pedagogical, design, and facilitation methodologies for both synchronous and asynchronous formats. These design skills are reinforced by the availability of authoring tools so that training experts who want to share their expertise more quickly can easily design digital modules (e-learning).

In several countries, Guerbet also supports the personal initiatives of employees who wish to invest in these development activities. In particular, for French employees using their personal training account (CPF), Guerbet has implemented a policy of matching days and financial contributions.

The definition and monitoring of employee skills development plans are part of the annual performance management cycle and are the subject of interviews between employees and managers. Managers prepare for this with the help of human resources, in particular by sharing best practices and raising awareness of the main mechanisms that can be mobilized.

Continuing training thus contributes to the company's sustainable development, aiming to increase employees' expertise to support its growth and develop their employability.

The development of all employees remains a priority for the Group. With this in mind, in 2023, Guerbet maintained its objective for each manager to ensure that more than 70% of their team members completed at least one development action during the year. This objective has also been incorporated into the long-term compensation policy for managers.

Supporting the development of leaders

Development programs for potential leaders

As part of the preparation of succession plans for key functions, Guerbet offers a specific development program, Guerbet Development Center, open to employees showing potential for appointment to a key position in the company.

Participants in this nine-month program include employees from various countries, of differing professions, ages, gender, and seniority levels, supervised by internal coaches. This is a year full of experiences and learning focused on the development of transformational leader skills. The program offers seminars (including presentations, group workshops, challenges, and awards), webinars, in-house and outside speakers, and a project completed as a cross-functional international team. The issues addressed focus on the main characteristics of a Guerbet leader, including self-awareness, self-awareness as a leader, and knowledge of the company (its core business and development strategies), with a focus on the Group's values (**CARE, COOPERATE, INNOVATE, ACHIEVE**) and exploration of opportunities for advancement within the Group (networking and career path).

This initiative makes it possible to strengthen our succession plans at all levels in key positions in advance. It also contributes to the motivation, commitment, and retention of employees as well as to the development of a sense of belonging across the Group.

In 2023, following on from the Development Center, Guerbet introduced a mentoring program offering the opportunity for a one-year special mentor/mentee professional relationship. The more experienced mentor supports the mentee by providing advice and sharing knowledge, experience, and relationships with the aim of achieving the development objectives agreed upon at the start of the program.

Global leadership development program

Aware of the pivotal role of managers in employee development and with the objective of supporting the Group's permanent transformation and the development of all employees, Guerbet invests in strengthening the managerial and human skills of its managers at all levels of the organization.

One of the objectives of the program is to give Guerbet's managers the tools and attitudes to engage their teams over the long term, strengthen their confidence in this role, and develop their leadership: engage, develop, and recognize the performance of employees.

The program has since been rolled out at all management levels and across all geographical regions.

Closer look at the internal and international mobility policy

The implemented policy encourages all teams to consider career prospects within a Group scope. It aims to identify new talents and develop and strengthen employee engagement and is part of the skills development policy.

Internal mobility includes promotions or a change of region.

Regardless of their seniority and position in the company, all employees are eligible for internal mobility and are encouraged to express their desire to their manager and HR during career discussions. Our teams circulate vacancies to employees to encourage internal mobility and participatory recruitment. Two employees took advantage of an international mobility opportunity in 2023.

Guerbet has launched the Graduate Program to support the development of young employees in key, critical, or niche positions where skills are in short supply. This program enables young graduates to discover several business areas and/or plants over a period of one to two years, boosting their careers and enabling them to move into strategic positions within the Group. For Guerbet, this is also part of a process of preparing succession plans. For example, depending on the challenges, needs, and ambitions of the division, we can propose a program consisting of three six-month rotations/assignments, including one abroad.

The use of Volunteers for International Experience (VIE) in our subsidiaries (outside France) is also encouraged for international mobility by offering the possibility of taking on multiple assignments in various entities for employees under the age of 28.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Employee development and talent management	• Deployment of global employee skills development programs to support the Group's development by increasing strategic skills • Gradual deployment of Learning Management System (LMS), a single management training management tool, throughout the entire Guerbet Group to facilitate overall management • Deployment of the individual development plan as part of the annual performance evaluation	• 88% of employees have completed at least one training course • Skills development, including international development programs: • Guerbet's internal development programs for potential leaders: ▪ Development Center: 21 potential leaders participated over the 2023-2024 period, for a total of 64 potential leaders since its launch in 2019 ▪ Mentorship: 25 potential leaders participated over the 2023-2024 period • management and leadership program: 116 managers joined the program this year, for a total of 567 managers who have participated since the launch in 2020 • project management program: 125 participants this year, for a total of 306 international participants since its launch in 2022 • "cultural transformation" program: 177 participants this year, for a total of more than 381 international participants since its launch in 2022 • training in new skills (medical devices, digital, etc.) through the implementation of international programs in which 235 employees participated, for a total of 811 employees since 2021 • Digitalization of training: • a single management tool for regulatory/quality/safety training deployed throughout the Group since 2021 and a project underway to upgrade to a more powerful system for managing all training • initiatives to develop e-learning internally: 20 active licenses for in-house trainers and experts • 154 employees received language training this year, including through the online language learning platform offered by Guerbet • 1,928 employees active on the Guerbet Inside internal social network with 53 active communities and around 176,000 content views over the year
Internal mobility	• Continuation of the internal mobility program	• Two international mobility opportunities taken in 2023 • Internal distribution of vacancies to encourage internal mobility • Continuation of the Graduate Program to support the development of young employees in key positions through mobility and encouragement to recruit VIE participants

5.2.4 Inclusion

Background and policy

At Guerbet, we are convinced that employee diversity is a source of human wealth. We believe that diversity is an asset as well as an opportunity to develop the Group's sustainable performance, innovation, and creativity.

Around the world, in our offices and at our industrial plants, we foster a culture that encourages and promotes an environment where all people are welcomed, valued, and respected, regardless of their differences, origins, age, or social background.

It is our shared responsibility to build an inclusive workplace where all employees can be themselves, be free to share their perspectives, and feel that their contributions are valued and proactively sought for the success of the company without prejudice.

As indicated in our ethics charter, Guerbet promotes inclusion, applies zero tolerance regarding discrimination in all its forms, and includes these topics in its management training. The Group promotes diversity, regardless of gender, age, marital status, sexual orientation, disability, national or ethnic origin, or religious or political beliefs, in recruitment and career development.

Any act of discrimination can be reported to the manager, the Legal Division, or the Human Resources Division or on the whistleblowing platform (alert line) available to employees. This platform allows any professional alert reported anonymously or otherwise to be collected, recorded, and investigated confidentially (more information is available in the section 5.4.2 "Prevention of corruption and conflicts of interest" or in the Guerbet ethics charter <https://www.guerbet.com/media/iqwnzdmj/guerbet-code-of-ethics-english.pdf> using the link on page 9 <https://report.whistleb.com/en/GuerbetEthicsAlertLine>).

At Guerbet, we believe in the talents of our employees. We base our recruitment on the skills of the candidates as well as their suitability for our mission and values. We are proud to have employees who are motivated to contribute to Guerbet's success and performance, and we seek diversity. We promote an equal-opportunity workplace for all employees to develop their careers, from recruitment and selection processes to training, development, and internal mobility. The core of Guerbet's compensation and benefits strategy is based on appeal and competitiveness and on equal pay for equal levels of activity and responsibility.

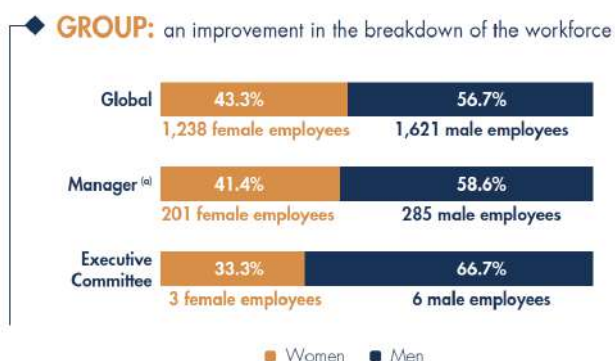
The Human Resources team and managers at all levels of the company are responsible for the application of a policy of diversity, inclusion, and equal opportunities. Guerbet has established major agreements on diversity, through a non-discrimination charter in the United States and agreements in France on gender equality in the workplace, employment of younger and older workers, and employment of individuals with disabilities.

Furthermore, in 2023, initiatives to raise awareness and provide training in cognitive biases continued, with sites setting up committees for diversity and inclusion discussions or newsletters.

Closer look at gender equality in the workplace

At December 31, 2023, 43.3% of Guerbet Group's employees were women and 56.7% were men, whether on open-ended and fixed-term contracts. The Group's goal is to achieve professional equality without distinction as to gender. In particular, Guerbet aims to have the same proportion among managers, middle managers, and executives as in the Group overall. The objective for 2023 is to have at least 40% women in management positions or in middle or senior management. These objectives were achieved starting in 2022, with 41.4% women.

At the end of 2023, the breakdown of the workforce was as follows, reflecting a marked improvement in recent years:



(a) Managers, middle managers, and executives.

The agreements and action plans signed in all Group companies in France are based on a goal of zero discrimination within the company, a goal shared by management and labor. They refer

to results particularly in terms of recruitment, qualifications, training, and compensation. They define provisions aimed at maintaining gender equality in the workplace with regard to recruitment, compensation, training, and career development.

The plants implement local initiatives and monitor the gender balance in managerial positions and management committees at the local level.

For 2023, Guerbet achieved the following gender equality scores:



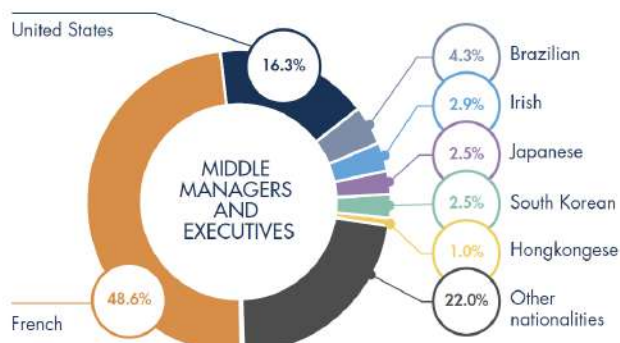
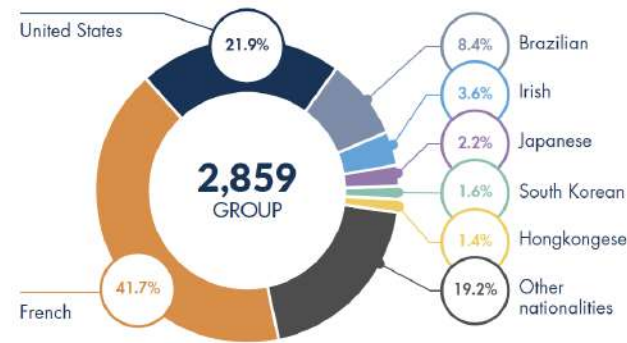
The overall result obtained by Guerbet S.A. (representing 36% of employees) has improved over the past two years, notably thanks to an improvement in the indicator measuring the promotion gap between men and women and equal pay.

This is a system for assessing gender equality within the framework of the "professional future" law, to which Guerbet has replied. The rating is based on five criteria established by the government: gender pay gap, annual pay increase gap, promotion gap, return from maternity leave, and presence of women among the company's top 10 employees. This score highlights Guerbet's commitment to equality.

Closer look at cultural diversity

Guerbet promotes diversity, regardless of ethnic origin. In terms of cultural diversity, we monitor indicators on the distribution of nationalities within the Group and at the management level. Guerbet Group is present in 30 countries. 78 nationalities are represented, including 39 for managers, middle managers, and executives.

BREAKDOWN OF NATIONALITIES AT THE GROUP LEVEL OF MANAGERS, MIDDLE MANAGERS, AND EXECUTIVES



Closer look at access to employment for younger people and job retention for older workers

The agreements signed in the Group's French companies contain, in particular, commitments to the employment of older workers, through measures to improve working time arrangements, actions for the transfer of skills, and end-of-career arrangements.

Guerbet is committed to well-being and job retention for older workers (50 years of age or older) and promoting their recruitment. In 2023, 95 senior employees joined us, representing more than 17% of all new hires. Of these 95 hires, 19% were middle managers or executives.

In Raleigh, training has been provided for managers to better understand and manage the various generations.

Guerbet works to give young people access to long-term job opportunities and implements measures to promote their inclusion.

Through the Graduate Program, Guerbet supports the development of young employees in strategic positions. Guerbet also offers VIE contracts, allowing several assignments to be performed in various entities internationally.

Each year, Guerbet seeks to welcome more and more work-study students and interns on all levels and in all sectors in all its plants, thereby contributing to the training of young people and access to their first job.

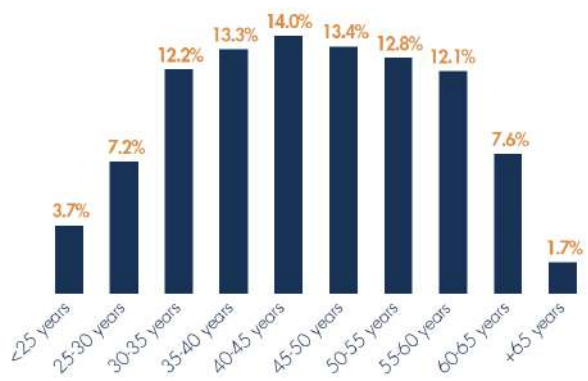
In 2023, 7% of interns and work-study students found their first job at Guerbet plants in France (open-ended or fixed-term contract).

Guerbet develops partnerships with local schools, colleges, and universities. For example, in 2023, the Dublin, Lanester, and Aulnay-sous-Bois plants organized plant visits and/or discovery workshops to introduce young people to their activities and the business world.

Guerbet has an active work-study policy for a variety of professions. Whenever possible, the Group looks for work-study trainees from priority neighborhoods.

As part of our Guerbet Positive volunteer program, initiatives are also taken with young people.

GUERBET AGE PYRAMID



Closer look at employment and integration of individuals with disabilities

The Group is committed to pursuing a policy for the employment of workers with disabilities, supported by HR contacts and a Disability expert in France who seek to adapt workstations and increase cooperation with the sheltered sector⁽²⁾ and the disability-friendly employment sector⁽³⁾. This policy has materialized in practical initiatives for several years, such as:

- training and encouraging recruiters to recruit individuals with disabilities;
- working with the occupational health department to make ergonomic workstation adjustments to encourage their retention in the workplace;
- working with disability committees to seek workstation adjustments or personalized redeployment solutions to encourage their retention in the workplace;

- use of the sheltered employment sector and the disability-friendly employment sector for certain services (collection and sorting of waste, maintenance of green spaces and roads, etc.);
- initiatives aiming to change perceptions of disability and show people that being different is not a handicap but can actually create synergies:
 - employee participation in the Special Olympics race,
 - regular publication of articles on disability on the Guerbet Inside collaborative platform,
 - production of employee testimonials,
 - youth coaching and organization visits,
 - awareness-raising workshop during HSE days,
 - participation in Duoday (the company hosts an individual with disabilities on a national day to shadow a volunteer professional).

Guerbet S.A.'s rate of direct employment of workers with disabilities is 5.2%, not including subcontractor employees. This result is an improvement on 2022.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Gender equality	• Develop gender equality with a view to achieving the same proportion in senior management as in the Group as a whole. 2023 objective: more than 40% female senior executives	• Rate of 41.4% female managers or middle managers and executives versus 43.3% for all positions combined. This rate is up from 35% in 2018 • Gender equality indicators: • 92 out of 100 for Guerbet S.A. • 90 out of 100 for the French subsidiary • 95 out of 100 for the Marans plant
Cultural diversity	• Develop cultural diversity	• At Group level, at least 78 nationalities are represented, including 39 middle managers or executives
Employment of young people and older people	• Continue to develop partnerships with schools to integrate young people into the company	• 88 apprentices at the end of 2023: 3.0% of the workforce • 30 interns throughout the year • 3 VIE participants throughout the year • 7% of interns and work-study students found their first job at Guerbet • Older workers represented 17% of hires for the year, 19% of whom are middle managers or executives
Employment of individuals with disabilities	• Promote the employment of individuals with disabilities	• Workers with disabilities account for 5.2% of Guerbet S.A.'s direct employees in France. This result is an improvement on 2022

⁽²⁾ Établissements de services d'aide par le travail (ESAT: organizations to help individuals with disabilities through work) form the sheltered sector, which allows people with severe disabilities to work in adapted working conditions.

⁽³⁾ Disability-friendly companies have a workforce of at least 80% individuals with disabilities.



5.2.5 Quality

Guerbet contributes to the advancement of the diagnosis of major pathologies and ensures that future needs are anticipated through products with societal value added (see sections 1.4 “Overview of activities” and 1.6 “Research and Development”).

The Group develops and provides its customers with innovative products and services enabling healthcare professionals to perform their work in the best conditions for themselves and their patients.

The Group aims to meet the expectations of patients and healthcare professionals by ensuring the availability of safe, high-quality products. With several hundred employees dedicated to quality, Guerbet develops and provides its customers with health products, medical devices, and services offering proven effectiveness and safety.

Our quality policy is based on the following fundamentals:

1. Customer needs and expectations are our driving force.

2. Quality applies to all of our activities.

3. All Guerbet employees are responsible for the quality and performance of the product or service as well as for patient safety. Quality objectives apply to all employees.

4. Quality employees make for quality companies. For this reason, all Guerbet employees have the training, learning, abilities, and experience required to allow them to perform their work competently.

5. A commitment to constantly improve the quality of products and services. Our continuous improvement initiative is based on the Guerbet Operational Excellence Program. As part of this, performance reviews are conducted on a quarterly basis at each industrial plant.

6. Achieving our quality objectives is the primary responsibility of the management team and requires the active participation of all Group employees in keeping with Guerbet’s ethical principles and values.



Action plan and results

To support the Quality Vision, which places patient safety as our top priority, comply with the new requirements of the health authorities, and support the Group’s strategic choices, Guerbet has defined the following road map:

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Quality performance	• “Right the first time” • Improve the batch release cycle time • Improve the responsiveness of the quality department and investigations • Develop the performance of quality control laboratories through operational excellence • Analyze costs of non-quality to define appropriate action plans	• “Right the first time” objective achieved in 2023 • Improvement of quality indicators, including for cycle time, and notably for certain sites • Implementation of the new version of the LIMS (Laboratory Information Management System) • Implementation of Continuity Plans for public-utility products
Quality culture	• Continue the implementation/revision of the standardized quality policy • Continue to promote a common quality culture by: • organizing training courses for the affected employees, including investigative methods to increase our responsiveness • describing the quality management system in a formalized global quality manual • Strengthen the Quality Division’s skills by recruiting medical device quality experts and sterility and microbiology experts • Implementation of EU GMP annex 1	• Continuation of the process of simplifying quality management systems at the industrial plants • Review of the audit process • Continuation of training in Good Manufacturing Practices (GMP) and knowledge maintenance • Training in the Kepner Tregoe method for complex investigations • Finalization of the implementation of the new EU Medical Device Regulation (MDR) • Implementation of annex 1 and CCS (Contamination Control Strategies) for impacted sites
Compliance	• Continued deployment of quality audits • Preparation for inspections	• 11 inspections/audits by health authorities or certified bodies at the plants, with a renewal of the certificate • Completion of 90% of planned Group audits

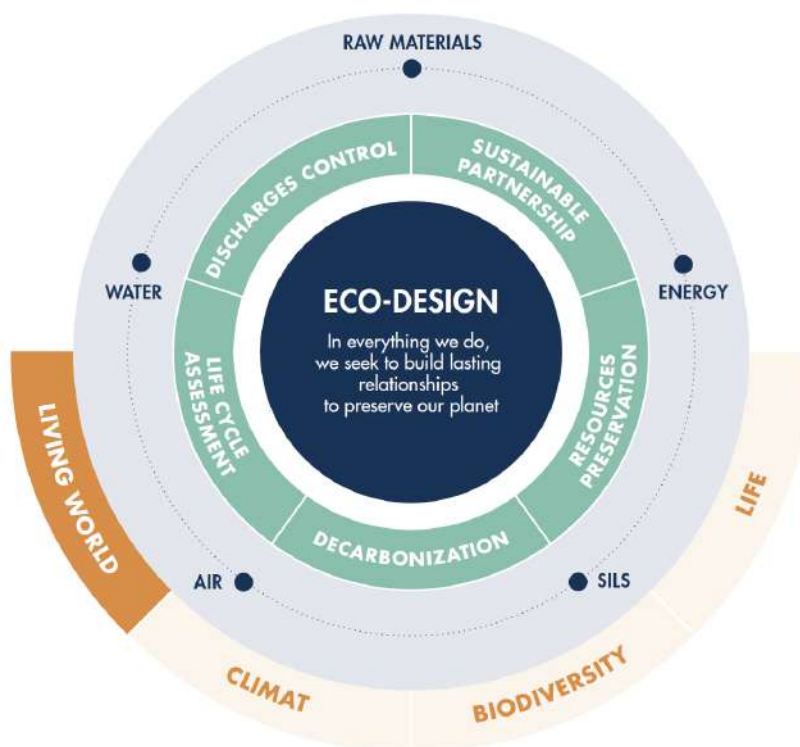


5.3 PLANET

Guerbet is fully aware of the environmental challenges facing the world and pursues its development in a sustainable manner. The company is committed to reducing its environmental footprint across all its operations, from raw material sourcing to production of contrast media and medical devices through to delivery to customers, use, and the end of life of products. The Group is committed to controlling its processes and waste while innovating to reduce their impact. The Group is mindful of the challenges of climate change. All these initiatives are conducted in strict compliance with applicable regulations and standards, wherever Guerbet operates.

In everything we do, we seek to build lasting relationships to preserve our planet by integrating environmental criteria across our entire scope of activities based on five focuses:

- life cycle assessment;
- decarbonization;
- resource conservation;
- discharge control;
- lasting partnership.



The quantitative environmental indicators described in this report include the data for the industrial plants, excluding the Guerbet Lyon plant and the administrative and sales units, where the impact is not significant. However, initiatives are carried out at all the plants. In addition, the Group's carbon footprint assessment takes into account all activities of Guerbet and its partners.



The industrial plants have HSE management systems, organized around the HSE Operational Excellence Program. In addition, the active ingredient production plant in Dublin is ISO 14001-certified and is the largest contributor to energy and water consumption.

5.3.1 Decarbonization and climate issues

As a responsible company, Guerbet implements programs to address climate change issues and reduce its greenhouse gas emissions. Guerbet develops actions to help limit climate change and ensures that the associated risks and opportunities are taken into account.

Guerbet has a "Climate Strategy" to better address the issues of sustainable performance and transformation.

Climate issues are presented to the Executive Committee and the Board of Directors.

To reinforce its Climate Strategy, Guerbet has adopted the following method:



* TCFD: Task Force on Climate-related Financial Disclosures.

5.3.1.1 Climate risks and opportunities

Climate change brings about physical and transition issues such as:

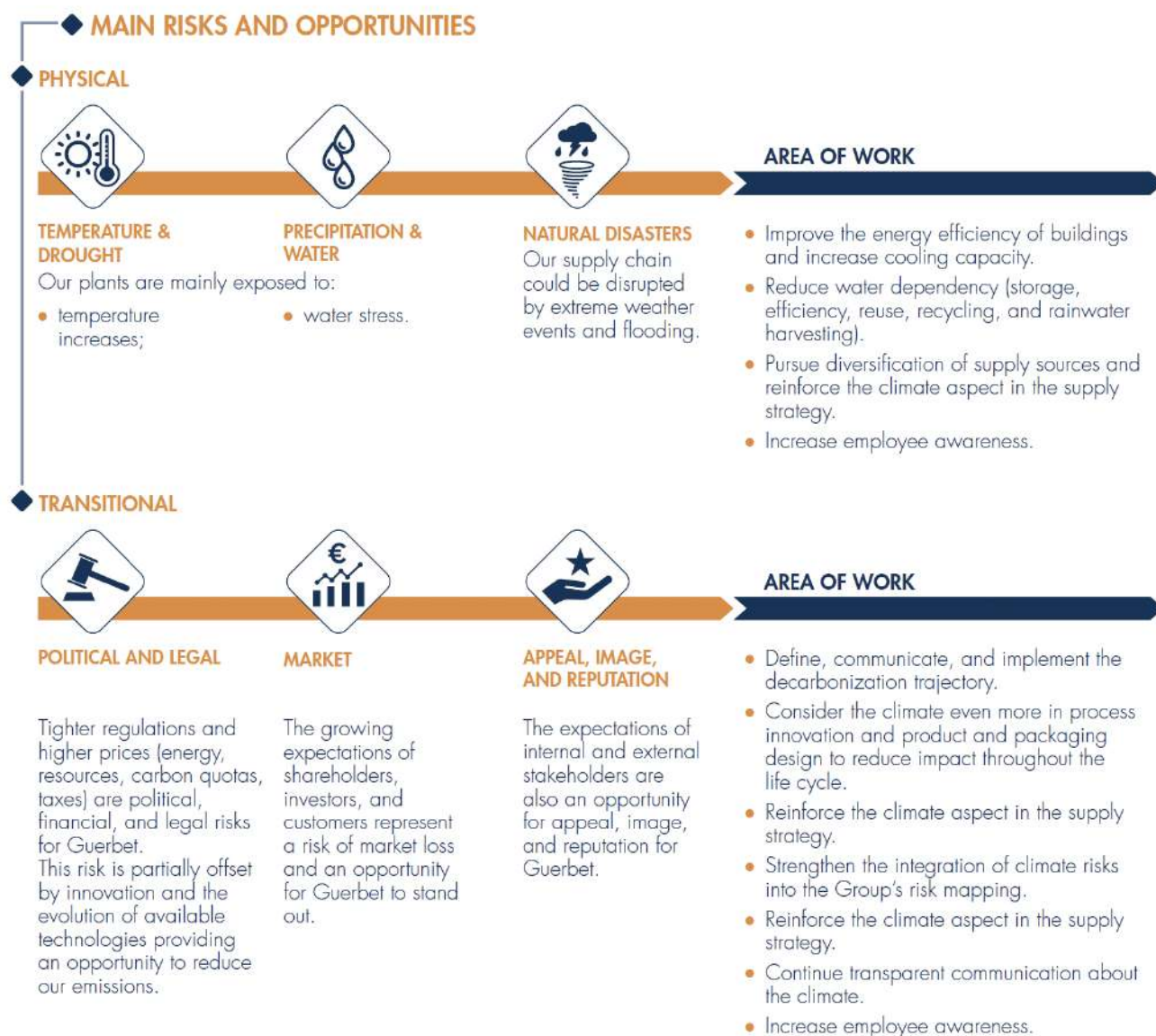
- physical risks for our industrial plants and main suppliers related to acute and chronic weather phenomena (such as temperature, drought, precipitation, and natural disasters) and the financial impacts of these risks;
- transition risks related to:
 - the increasing scarcity of resources,
 - more stringent market requirements and regulations,
 - reputational issues,
 - the expectations of internal and external stakeholders,
 - the financial impacts of these risks.

Guerbet is strengthening its climate resilience by refining its assessment of physical and transitional risks and opportunities and identifying areas for action. Physical risks have been analyzed for all our industrial plants and for Guerbet's key suppliers.

This analysis identified the main risks and opportunities, presented in the following chart, with a potential impact on activities, the supply chain, costs, and competitiveness. To mitigate the consequences of climate change on these activities, Guerbet has implemented action plans such as programs to reduce energy consumption, optimize processes, and discharge control. In the event of an incident, all industrial plants have a business continuity plan incorporating emergency procedures related to physical risks in particular.

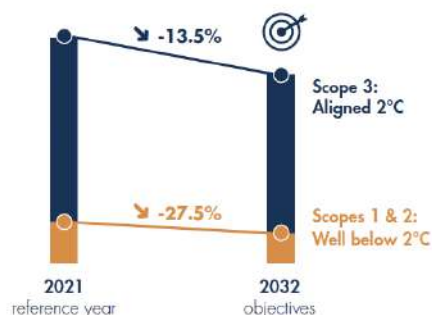
Guerbet has refined these analyses through financial scoring of the main risks and opportunities.

The following is a summary of the risks and opportunities that could have a significant impact on the Group and associated areas for action:



5.3.1.2 Decarbonization

Guerbet is fully aware of climate issues and has decided to commit to at least a trajectory of “Well below 2°C⁽¹⁾” by 2032, starting from reference year 2021. In concrete terms, this trajectory breaks down as follows:

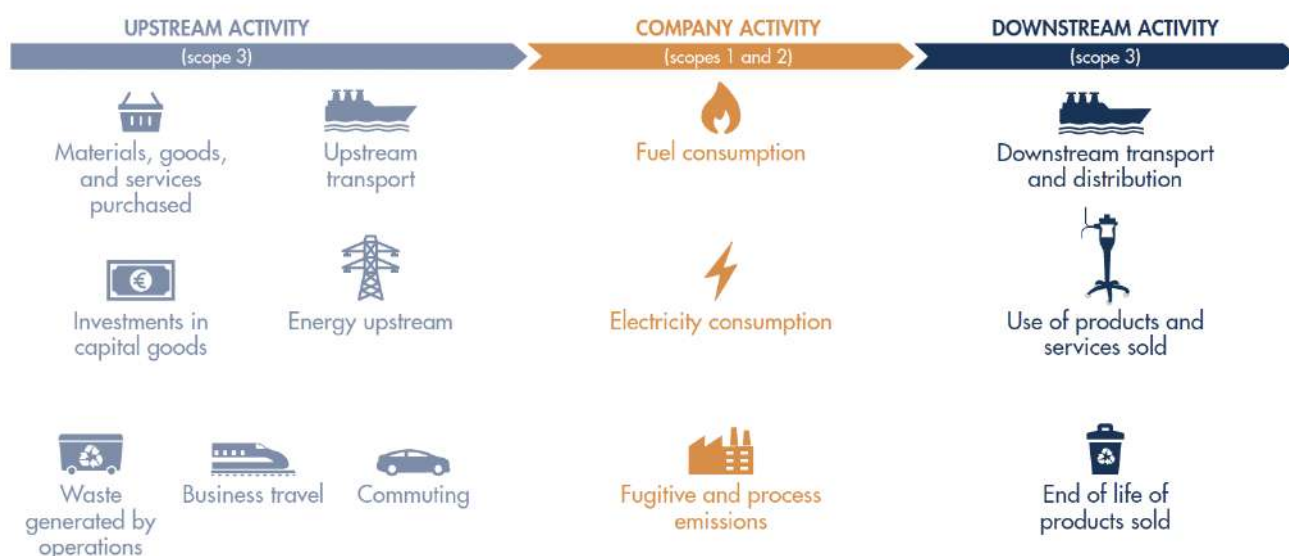


These objectives were validated by the SBTi⁽²⁾ in March 2023, and the Group joined the list of Companies Taking Action against global warming. These objectives take into account:

- the Group’s growth strategy;
- internal reduction actions;
- innovation and technological developments;
- exogenous decarbonization factors concerning electricity;
- the use of renewable energies (favoring deployment at our plants rather than the purchase of certificates); and
- the commitments of key suppliers and transport companies.

In 2023, Guerbet updated its carbon footprint assessment for all its activities, scopes 1, 2, and 3.

SCOPE OF GUERBET’S CARBON FOOTPRINT ASSESSMENT

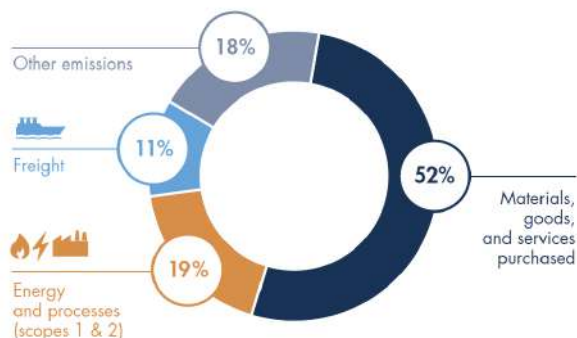


Energy and processes (scopes 1 & 2), purchasing, and transport account for more than 80% of the Group’s greenhouse gas (GHG) emissions.

⁽¹⁾ “Well below 2°C” relative to pre-industrial temperatures, as recommended by the Intergovernmental Panel on Climate Change (IPCC).

⁽²⁾ The Science-Based Targets initiative (SBTi) encourages ambitious climate action in the private sector by allowing companies to set science-based emission reduction targets <https://sciencebasedtargets.org/>. These are greenhouse gas emission reduction targets that provide organizations with a trajectory aligned with climate science; defining an SBT which is integral to a credible climate strategy.

BREAKDOWN OF GHG SOURCES



In connection with this carbon footprint assessment and the decarbonization objectives, Guerbet is deploying action plans based on the following key areas:

- **Governance:**
 - present the results and progress of actions to the Executive Committee and the Board of Directors;
 - ramp up climate governance at every level of the company and in internal decision-making mechanisms (budgets, medium-term plans, etc.);
 - translate Group objectives into individual objectives for key functions.
- **Employee engagement and training:**
 - involve all employees in contributing to the Group's objectives;
 - develop internal expertise in key functions;
 - raise awareness among all employees.
- **Energy and processes** (see the paragraph "Minimizing the carbon impact of energy consumption and processes"):
 - continue audits and energy efficiency actions at the industrial plants;
 - set up innovative facilities;
 - develop the use of renewable energies (for example, signing a contract for the operation of solar panels at the Dublin plant);
 - strengthen energy and climate criteria in investments.
- **Research, Innovation, and Development:**
 - integrate the climate component from the R&I stage;
 - systematize the life cycle assessments (LCA) of new products and packaging and progressively conduct LCA on existing products and packaging with the highest priority (see section 5.3.5 "Life cycle assessment").
- **Purchasing, use, and end of life:**
 - strengthen our climate criteria in the selection of partners;
 - continue engagement processes with suppliers with the largest carbon footprint (see section 5.3.4 "Lasting partnerships");
 - increase the in-house recycling of raw materials and solvents (see section 5.3.5 "Life cycle assessment");

- strengthen eco-design and circular economy approaches for all new products and developments together with our partners and customers.
- **Transport:**
 - continue to optimize our supply chain (see the paragraph "Minimizing the carbon impact of the supply chain");
 - give preference to sea transport over air transport for shipping finished products to our customers;
 - reinforce our climate criteria in the selection of transporters;
 - continue discussions and engagement with our main transporters.

Minimizing the carbon impact of energy consumption and processes

GHG EMISSIONS FOR SCOPES 1 AND 2

(reference year 2021)



* To reflect Guerbet's performance without taking exogenous decarbonization factors into account, emissions from energy consumption are calculated using a constant emission factor, taking into account green energies as part of the reduction. Exogenous changes represent emissions by updating emission factors annually to keep pace with our "SBTi" targets.

CLOSER LOOK AT ENERGY GHG EMISSIONS OF THE INDUSTRIAL PLANTS

(reference year 2021)

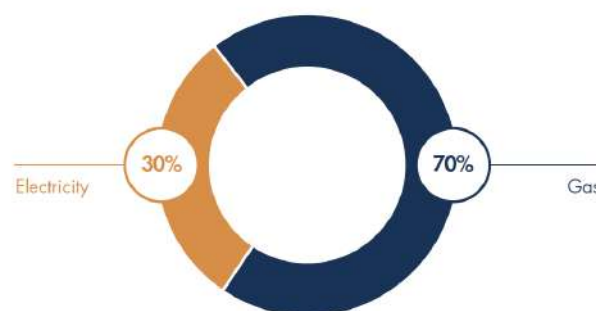


* To reflect Guerbet's performance without taking exogenous decarbonization factors into account, emissions related to energy consumption are calculated using a constant emission factor. Exogenous changes represent emissions by updating emission factors annually to keep pace with our "SBTi" targets.

In 2023, relative GHG emissions for scopes 1 and 2 represented 49,390 metric tons of CO₂ equivalent with a constant emission factor and 52,665 metric tons of CO₂ equivalent with updated emission factors. This increase is related to exogenous factors at Guerbet with an upward impact on emission factors. The energy efficiency measures implemented at our industrial plants are detailed in the paragraph "Energy consumption" below.

Guerbet no longer operates oil-fired boilers. This has had a positive impact on GHG emissions and enables the Group to have the following breakdown of energy consumption.

BREAKDOWN OF GHG EMISSIONS BY TYPE OF ENERGY AT THE INDUSTRIAL PLANTS



Energy consumption

OBJECTIVE



ENERGY CONSUMPTION

> **-25%** energy at the industrial plants **between 2017 and 2023**, in relative terms, i.e. relative to production

The reduction of relative energy consumption at our industrial plants is a criterion used to calculate the variable compensation of employees receiving a variable compensation component.

In 2023, energy consumption at our industrial plants was 184,163 MWh, down 6% in relative terms and down 1% in absolute terms compared with 2022. The relative reduction between 2022 and 2023 is explained in particular by the implementation of actions and investments, detailed below, especially in more efficient boilers. This result is an improvement of 13% in relative terms and 4% in absolute terms compared with 2017, thanks to the actions implemented in recent years. This decrease is less than expected, notably following the commissioning of new equipment since 2017, the manufacture of gadopichlenol, the increased quantities produced at the active ingredient manufacturing plants, and the insourcing of production at the pharmaceutical plants.

The industrial plants deploy programs to manage energy consumption in order to limit the environmental impact and optimize production costs. The plants are working to improve the energy performance of new equipment and in projects. Actions are also carried out at the head office and by the sales subsidiaries (e.g. low-consumption light fixtures).



Here are some examples of actions taken by the Group during the year at the industrial plants:

- deployment of the "Climate Fresk" at the annual convention of leaders;

- in Lanester, a feasibility study is underway as part of the site's decarbonization project to recover waste heat, commissioning of a new, more efficient boiler at the plant (6% expected gain), creation of a decarbonization master plan, and commissioning of new, more efficient chillers. In addition, the plant continues to recycle a solvent with a high calorific value to replace gas in the incinerator to reduce its gas consumption;
- in Dublin:
 - commissioning of a new, more efficient boiler,
 - installation of a solar farm, scheduled to be commissioned in December 2023,
 - subsidized installation of a new, more efficient chiller,
 - installation and commissioning of a preheater on the in-house solvent recycling facility,
 - continued replacement of lighting with LED;
- in Aulnay-sous-Bois:
 - commissioning of an osmosis unit to supply the plant's main boiler, with the injection of better-quality water limiting the amounts of water and gas consumed,
 - installation of air compressor control software,
 - optimization of the water sanitization temperature,
 - purchase of portable measuring equipment to better understand consumption by piece of equipment,
 - installation of additional steam meters;
- decarbonization study underway at Marans;
- in Rio, 100% of the energy consumed is green energy with guaranteed origin certificates.

CHANGE IN ENERGY CONSUMPTION

(reference year 2017)



Minimizing the carbon impact of purchased materials, goods, and services

Purchases of raw materials, goods, and services account for more than 50% of our carbon emissions. Our responsible purchasing approach is described in section 5.3.4 "Lasting partnerships." To achieve its decarbonization objectives, Guerbet intends to reinforce its climate criteria in its selection of partners and continue engagement processes with suppliers with the largest carbon footprint. For example, in 2023, Guerbet implemented a specific CSR action plan with a major partner in Asia and helped it conduct its first carbon footprint assessment.



Minimizing the carbon impact of the supply chain

Transport represents 11% of the Group's GHG emissions. Freight from our plants to our customers has an especially significant impact. The environmental and economic challenge for Guerbet is to limit the use of air transport by using sea transport instead. To this end, Guerbet has identified the following key actions:

- improve the reliability of sales forecasts by:
 - increase our knowledge of local markets;
 - invest in statistical forecasting tools;
- make production more flexible by investing in new industrial tools (shorter cycle times, smaller batches);
- strengthen the relationship with logistics companies through joint engagement with our major transporters;
- strengthen the integration of environmental performance in the selection process and in reporting.

In connection with these key actions, Guerbet's objectives for 2023 are to:

- improve the indicator on available products delivered on time;
- reduce the proportion of finished products transported by air.

Guerbet is continuing to deploy the actions undertaken:

- optimize locations and operation of distribution centers, contributing to the reliability of sales and the reduction of carbon impact of supply;

- improve the plants' service ratio relative to the sales and inventory forecasts;
- make efforts to streamline the number of product references and presentations;
- use a new rail transport route between Europe and Asia.

In 2023, Guerbet:

- developed a model for monthly tracking of emissions from transport from its plants to its customers;
- integrated environmental criteria into transporter selection processes.

Other actions

In addition to energy and transport optimization measures, other actions are being taken to limit the impact of business travel and commuting:

- the Group's travel policy includes measures to reduce the carbon impact of business-related travel by promoting the use of alternatives to traveling (virtual meetings);
- the Group encourages the use of remote communication facilities and public transport, especially rail transport;
- the use of electric and hybrid vehicles is encouraged by the company car policy; at the end of 2023, 34% of company cars in France were hybrid or electric (versus 24% in 2022 and 19% in 2021); in addition, we no longer order diesel vehicles;
- installation of charging stations for electric vehicles, for example in Aulnay-sous-Bois and at the head office in Villepinte;
- various actions have been implemented in recent years to reduce the impact of commuting: car-sharing service, promotion of soft modes of transportation, promotion of carpooling, and the widespread implementation of teleworking.



5.3.1.3 Action plan and results

In the interest of transparency, for the fifth consecutive year, Guerbet published information and data concerning its climate strategy by replying to the climate questionnaire produced by CDP, an international non-profit organization (formerly known as the Carbon Disclosure Project) that recognizes the world's most active companies in the fight against climate change. In 2023, for its 2022 information and data, Guerbet received a "B" rating on a scale from "A" to "D."

For the first time, Guerbet also responded to the CDP water questionnaire and received a "B" rating, a particularly encouraging result for a first-time participant. Water is a key resource for the planet and for the Group, particularly because of climate change.

Guerbet is taking action to help limit climate change in key emissions areas (see details in section 5.3.1 “Decarbonization and climate issues”):

- HSE and CSR improvement approach with suppliers most at risk;
- sea transport preferred over air transport for shipping finished products to our customers;
- reduction in energy consumption in the industrial plants.

CDP has the largest global database on the environmental performance of cities and businesses. It encourages investors, businesses, and cities to take action to build a truly sustainable economy by measuring and understanding their impact on the

environment. It provides investors with a view of environmental data critical for measuring the sustainability of investments by enabling them to analyze risks and opportunities and corporate environmental strategies.

For Guerbet, replying to these questionnaires not only helps bolster its reputation and shareholder confidence and attract new investors, but it is also a source of continuous improvement. This approach provides enhanced preparation for regulatory changes, improved knowledge of risks and opportunities, long-term resilience, and a means of benchmarking.

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Consideration of climate issues	• Identify climate change risks and opportunities	• Implementation of the climate action plan • “B” rating received on the CDP Climate Change Questionnaire for 2022 actions and results (on a scale from “A” to “D”)
Challenge of decarbonization	• Define and implement the decarbonization strategy	• Absolute GHG emissions for scopes 1 and 2 represent 49,390 metric tons of CO₂ equivalent, a 0.8% reduction since 2021 on a constant emissions basis • Absolute GHG emissions for scopes 1 and 2 for the energy scope of the industrial plants represent 32,470 metric tons of CO₂ equivalent, a 4.4% reduction since 2021 on a constant emissions basis • Implementation of decarbonization actions by the industrial plants, detailed in the paragraph “Energy consumption” • Validation of Guerbet’s decarbonization objectives by the SBTi (in March 2023); objectives aligned with a “Well below 2°C” trajectory, i.e. an absolute reduction between 2021 and 2032 of: • 27.5% for scopes 1 and 2 • 13.5% for scope 3
Energy	• Objective of reducing relative energy consumption by 25% by 2023 • Deployment of action plans to reduce energy consumption in the industrial plants	• Energy consumption at the industrial plants was 184,163 MWh, down 6% in relative terms and down 1% in absolute terms compared with 2022. The relative decrease between 2022 and 2023 can be explained in particular by the high level of production activity, which recoups the cost of fixed consumption, and energy efficiency. This result is an improvement of 13% in relative terms and 4% in absolute terms compared with 2017, thanks to the actions implemented in recent years. This decrease is less than expected, in particular following the commissioning of new equipment since 2017 and the manufacture of a new product: gadopiclenol
Closer look at supply and climate	Objectives: • Improve the proportion of available products delivered on time • Reduce the proportion of air transport Priorities: • Improve the reliability of sales forecasts and: • make production more flexible by investing in new industrial tools • strengthen relationships with logistics companies	• Creation of a model for monthly tracking of emissions from transport from its plants to its customers • Integration of environmental criteria into transporter selection processes

5.3.2 Resource conservation

Guerbet Group aims for the optimal use of natural resources through actions such as:

- reduction of water and energy consumption;
- optimization of raw materials used in manufacturing its products;
- process innovation.

These actions contribute to reducing our impact on the climate (e.g. reducing greenhouse gas emissions through energy optimization) and strengthening our resilience to climate change (e.g. optimizing water consumption).

Water consumption

OBJECTIVE



WATER CONSUMPTION

> **-25%** at the industrial plants **between 2017 and 2023**, in relative terms, *i.e.* relative to production

The reduction of relative water consumption at our industrial plants is a criterion used to calculate the variable compensation of employees receiving a variable compensation component.

In 2023, water consumption at our industrial plants was 1,025,560 m³, constant in relative terms and up 5% in absolute terms compared with 2022. Relative consumption was up 4% in relative terms compared with 2017. This result is the consequence of the commissioning of new equipment since 2017 and the manufacture of the new gadopichlenol product. The increase in absolute terms was due to the increase in quantities produced at the plants and insourcing of production at the pharmaceutical plants.



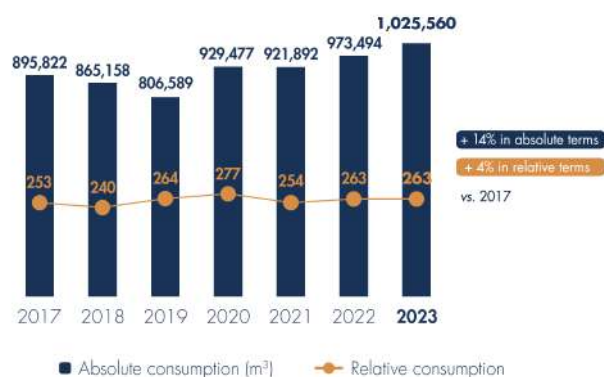
The industrial plants implement programs to control water consumption. Here are some illustrations of actions carried out during the year:

- at the Lanester plant:
 - continuation of the working group, construction of a road map for saving water, launch of studies to optimize purified water production, recycling of cooling tower purges, recycling of rainwater, and recovery of water from the plant's incinerator scrubber,
 - continuation of the recycling of process water in-house as cooling water for the incinerator, an initiative for which the plant was awarded the 2021 Loire-Bretagne water award,

- continuation of the plant's participation in the working group led by the Morbihan Chamber of Commerce and Industry, which involved conducting technical analyses, promoting good practices, organizing thematic workshops, mapping wastewater reuse potential, etc.;
- repairing of the groundwater infrastructure at the Dublin plant;
- in Aulnay-sous-Bois, commissioning of an osmosis unit to supply the site's main boiler, injection of higher-quality water to limit water and gas consumption, and installation of a water reheating system for an osmosis unit to improve efficiency by 10% in winter;
- reduction of water consumption in Cincinnati by installing water-saving equipment.

CHANGE IN WATER CONSUMPTION

(reference year 2017)



5.3.3 Discharge control

The HSE policy reflects Guerbet's commitment to minimizing the Group's environmental impact across all its activities, in particular by optimizing the processes for treatment of effluents, discharges in the water and air, and waste. The active ingredient production plants (Dublin, Lanester, and Marans) are the largest contributors.

5.3.3.1 Effluent optimization

Effluent treatment process optimization programs are in place, in particular at the top three contributing plants:

- in Dublin, the wastewater treatment facility monitoring and optimization program continues, with the commissioning of a new equalization reservoir and a new sensor unit to optimize wastewater treatment plant operation. This improves the in-house effluent treatment capacity in a context of increasing volumes;
- the Lanester plant prioritizes the in-house treatment of effluents, using biological treatment for biodegradable effluents and incineration for non-biodegradable hazardous liquid residues. In this context, the pretreatment of part of the wastewater by nanofiltration makes it possible to reduce the amount of effluent incinerated, reduce the amount of gas on the incinerator, and increase the recycling of water through the reuse of effluents after treatment on the biological station. In addition, an iodine recovery facility allows for in-house recycling of this resource with more than 176 metric tons of iodine recycled at the plant and reused to preserve the global resource;
- in Marans, actions to optimize the operation of the effluent treatment line are continuing.

The discharge thresholds of the Marans and Lanester plants were defined in consultation with the local authorities on the basis of receiving-environment acceptability studies. These studies also improve knowledge of the environments into which effluents are discharged and make it possible to measure environmental impacts in terms of ecotoxicity or bioaccumulation. They also help limit Guerbet's impact on biodiversity.

5.3.3.2 Waste management



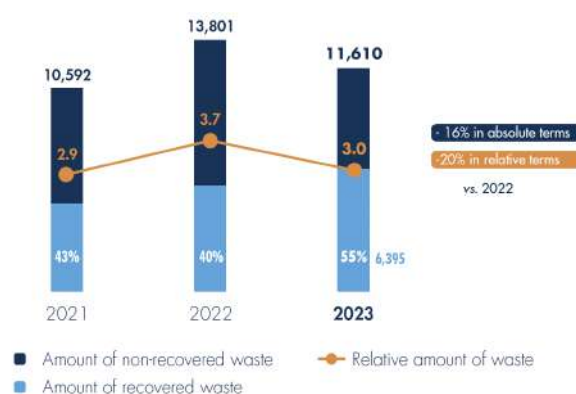
In 2023, waste generated by the Group's industrial plants and treated externally totaled 11,610 metric tons, a decrease of 16% in absolute terms⁽¹⁾ and 19% in relative terms compared with 2022. This reduction was mainly due to actions taken at the Lanester plant, which has decreased its amount of waste treated externally by 25% since 2022. This reduction is expected to continue in the coming years.

All the industrial plants have waste optimization and recovery programs either internally or externally. 55% of waste from the industrial plants treated externally is recovered (versus 40% in 2022). This result is higher than in previous years, which can be explained in particular by the decrease in external treatment at the Lanester plant and the Dublin plant's new waste recovery. Waste sorting and recovery programs are also in place at the head office and in some subsidiaries, such as in Prague.

The Dublin and Lanester plants have iodine recovery and reuse facilities. The Dublin plant has solvent recovery facilities (see section 5.3.5 "Life cycle assessment"). Approximately 176 metric tons of iodine are recycled internally at the Lanester plant, making it possible to preserve the world's resources and limit the quantities of waste and effluents. The Dublin plant performs in-house recycling of more than 70% of the main solvents used in the manufacture of active ingredients.

In addition, with its eco-designed polypropylene bag packaging (Scanbag® by Xenetix®), Guerbet limits the weight and volume of waste for its customers.

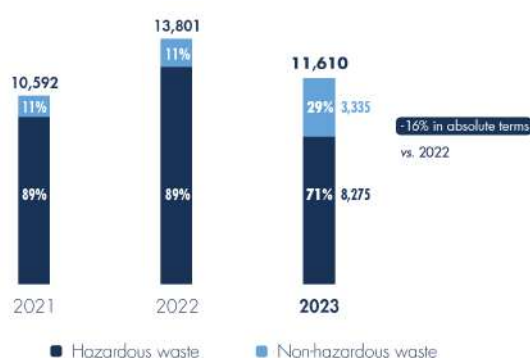
CHANGE IN AMOUNT OF WASTE TREATED EXTERNALLY*



* The data from previous years were modified following corrections made by a plant after annual reporting.

⁽¹⁾ The relative amount of waste is the amount of waste relative to production.

HAZARDOUS AND NON-HAZARDOUS WASTE TREATED EXTERNALLY



In addition to the actions in place at the industrial plants, administrative units, and sales subsidiaries, new initiatives are being taken, including:

- in Lanester:
 - better flow control in the damage basin,
 - temperature control of a step in the biological treatment of waste, improving the efficiency of treatment and reducing the amount of waste treated externally,
 - resale of used solvent for external recycling;
- in Dublin: waste streamlining project and replacement of drums for transporting hazardous waste to reduce the

amount of packaging used and improve workstation ergonomics for employees;

- in Marans: continued resale and recovery of an effluent externally;
- in Cincinnati, a solid waste recycling program is in place;
- continued initiatives to limit waste, including food waste, with, for example, employees in Lyon taking part in initiatives alongside organizations as part of the Guerbet Positive volunteer program: transformation of unsold perishable goods and clothing drives.

Other discharges

The discharge standards applicable to the industrial plants, in particular the active ingredient manufacturing plants in Lanester, Seveso, Marans, and Dublin, require numerous measurements of parameters covering atmospheric emissions (volatile organic compounds, nitrogen oxides, dust, etc.), liquid discharges, and soil quality monitoring.

All these results are used for operational management of the plants, with alert thresholds that allow any fluctuations to be detected and resolved. The results of this monitoring are reported to the local authorities for the Seveso plants, in periodic reports or specific studies such as the solvent management plan or annual environmental review.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Water	- Objective of reducing relative water consumption^[a] by 25% by 2023 - Deployment of action plans to reduce water consumption in the industrial plants	Water consumption of 1,025,560 m³, constant in relative terms and up 5% in absolute terms compared with 2022. Relative consumption was up 4% from 2017 and higher in absolute terms. This result is the consequence of the commissioning of new equipment since 2017 and the manufacture of the new gadopidlenol product. The increase in absolute terms was due to the increase in quantities produced at the plants and insourcing of production at the pharmaceutical plants

[a] Relative consumption corresponds to consumption relative to production.



5.3.4 Lasting partnerships

Background and policy

Guerbet pursues a responsible purchasing policy that seeks to cultivate collaborative, balanced, and healthy relationships with its suppliers.

Guerbet asks its procurement employees to act in accordance with an Ethical Purchasing Charter.

Our supplier selection criteria rely on open and fair competitive bidding rules. Guerbet is committed to treating suppliers respectfully in all circumstances.

Guerbet works only with suppliers who respect human rights, labor laws, the environment, and business ethics. Therefore, suppliers must not use forced labor, child labor, or illegal workers under any circumstances and must ensure safe and healthy working conditions.

Guerbet has decided to promote its social and environmental values to its suppliers and to ask them to do the same with their own economic partners.

The selection of partners and suppliers has a major impact on the quality and sustainability of products and services as well as a significant social and environmental impact. The Group therefore attaches particular importance to choosing the right suppliers and the quality of the relations that it has with them.

In selecting suppliers, Guerbet verifies their financial soundness and relies on competition to ensure efficiency based on the following rules:

- free access to calls for tenders;
- equal treatment of applicants;
- transparent, traceable procedures;
- consideration of the total cost;
- comparison of suppliers on the basis of uniform criteria.

Guerbet's criteria include ethics, the environment, and the social component.

Guerbet has established an Ethical Purchasing Charter for all Group buyers. This Charter has three components: a reminder of the Group's Ethics Charter, purchasing values, and rules of behavior. It defines, highlights, and recaps the key values and main rules of conduct that must be put in place and respected by all those involved in purchasing at Guerbet.

In addition, Guerbet has formalized a Code of Ethics⁽¹⁾ for its suppliers. This code aims to promote societal and environmental values among our suppliers and defines the principles that they must obey. Since 2022, Guerbet has included this code as an appendix to new contracts (or at least equivalent guarantees). Guerbet continues its deployment with new suppliers representing a risk (types of purchases and regions of origin).

Guerbet has stepped up the incorporation of CSR into existing processes:

- Supplier Code of Ethics appended to new contracts;
- in supplier performance reviews;
- continuation of the ongoing supplier risk assessment process, covering all criteria that can be assessed by the parties involved, including an HSE component, and integration of the results of the analysis of the physical climate risks of its main suppliers into the internal risk rating tool for its main suppliers.

In 2023, Guerbet implemented a specific CSR action plan with a major partner in Asia, including a process safety audit, and helped it conduct its first carbon footprint assessment.

The Supplier Code of Ethics is divided into 10 principles covering the following five aspects:

Human rights

1. Support and respect for the protection of human rights, including at the international level
2. No complicity in human rights abuses

Labor

3. Respect for workers' rights, health, and safety
4. Elimination of all forms of forced or compulsory labor
5. Effective abolition of child labor
6. Combating discrimination in employment

Environment

7. Protective measures in the face of environmental challenges
8. Initiatives to promote greater environmental responsibility

Fair competition

9. Activities conducted in line with genuine and fair competition

Business ethics

10. Fight against all forms of corruption

The "conflict of interest" aspect for procurement is addressed in section 5.4.2 "Prevention of corruption and conflicts of interest."

⁽¹⁾ <https://www.guerbet.com/media/iqwnzdmj/guerbet-code-of-ethics-english.pdf>.

With regard to the environment, Guerbet has found that purchased materials, goods, and services account for more than 50% of the Group's GHG emissions, as indicated in section 5.3.1 "Decarbonization and climate issues." In 2021, the Group analyzed the CSR/climate policies of its top 20 contributing raw materials suppliers. 80% of these suppliers communicate their CSR and/or climate program externally. More than 50% respond to the CDP and/or EcoVadis. Some examples of these suppliers' climate-related focuses and actions:

- commitment to carbon neutrality and/or reduction of the carbon footprint for 55% of these suppliers;
- energy efficiency;
- investment in low-carbon production technologies;
- use of low-carbon or decarbonized energy;
- transformation of activities;

- eco-design;
- recycling of products;
- domestic carbon tax;
- compensation mechanisms.

In 2023:

- deployment of a purchasing policy training module for France in the training management tool;
- Guerbet joined a working group of LEEM (the French pharmaceutical industry trade association) to develop a purchasing charter for the sector;
- an in-depth university study led to the creation of a road map and initiated the formalization of a responsible purchasing policy.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Responsible purchasing	• Continue to deploy the Ethical Purchasing Charter for employees involved in purchasing at Guerbet in addition to the Group's buyers who have already signed this Charter • Deploy the Supplier Code of Ethics with all new suppliers representing an ESG risk (or at least equivalent guarantees) • 100% of suppliers at risk identified as presenting a risk in the ESG mapping are subject to a self-assessment questionnaire, sign the Supplier Code of Ethics, or provide at least equivalent guarantees and are audited • Pursue the climate commitment initiative with the major greenhouse gas emitters among the Group's raw material suppliers • Anticipate the Conflict Minerals Regulation^(a); Guerbet is indirectly concerned through the purchase of electronic equipment • Promote purchases from companies from priority districts of the city ("QPV") and local companies as well as the supplier's CSR commitment	• Deployment of a purchasing policy training module for France in the training management tool • Guerbet has continued to include the Supplier Code of Ethics as an appendix to new contracts • Guerbet joined a working group to develop a purchasing charter for the sector • An in-depth university study led to the creation of a road map and initiated the formalization of a responsible purchasing policy

(a) On January 1, 2021, a new law came into force across the EU: the Conflict Minerals Regulation. This regulation aims to help stem trade in four minerals — tin, tantalum, tungsten, and gold — which sometimes finance armed conflict or are mined using forced labor. The regulation requires EU companies in the supply chain to ensure they import these minerals and metals from responsible and conflict-free sources only.

5.3.5 Life cycle assessment

A few years ago, the Group embarked on process innovation through the use of solvents resulting from regeneration, the internal recycling of iodine in processes, the recycling of solvents internally, and the replacement of solvents with others that are less harmful to the environment.

These actions are led by the Group's chemical industrial development teams through monthly "Sustainable Development" meetings. The approaches are as follows:

- new processes using water or solvents that limit the environmental impact;
- new chemical processes eliminating hazardous materials;
- new online analytical methods to detect problems at the source;
- new practices/lean engineering to prevent waste.

The recovery of iodine at the Lanester plant and ioversol (active ingredient) at the Dublin plant illustrates our sustainable development and circular economy approach, since this recycling not only improves competitiveness and mitigates the environmental impact (preservation of the global iodine resource, circular economy by recycling and reuse in the plant).

Since 2020, the establishment at the Lanester plant of a process for separating a solvent with a high calorific value from wastewater and then injecting it into the plant's incinerator has reduced the amount of gas used in the incinerator and increased the proportion of recovered iodine. More than 175 metric tons of iodine are recycled internally at the plant, helping to preserve the global resource.

The Dublin plant has facilities for the recovery of two solvents. Each year, the plant recycles approximately 96% of the tonnage for these two solvents in-house, representing more than 70% of the main solvents used to manufacture active ingredients.

Guerbet also has eco-designed packaging. Xenetix®, initially contained in vials, is also available in polypropylene bags (Scanbag® by Xenetix®). This original packaging preserves the

properties of Xenetix® while making it simpler to use, enhancing the safety of patients and medical staff and representing a major step forward in waste management (decreased weight and volume). This packaging is one of Guerbet's solutions to sustainable development challenges. It was also the subject of an LCA (life cycle assessment) demonstrating its positive impact on the environment compared with the vial format.

Guerbet is also committed to end-of-life management of its products:

- the Group is a partner and sponsor of the Megadore Chair, which aims to collect unused contrast media in healthcare institutions to recycle gadolinium. At the end of 2023, more than half of France's MRI scanners were part of this green MRI network;
- for iodine-based contrast media residues, a pilot project is underway with hospitals and clinics. The aim of this pilot is to organize a recovery flow for these iodinated residues so that they can be transported to a center for the recovery, reprocessing, and incorporation of iodine into non-pharmaceutical chemical processes.

5.3.6 Biodiversity

The Group is committed to preserving biodiversity. This commitment is first and foremost reflected in the control of discharges from industrial plants, in particular:

- effluent optimization (see section 5.3.3.1 "Effluent optimization");
- waste management;
- compliance with air emission standards.

Actions taken by Guerbet to limit its impact on climate change and ensure a more sustainable use of natural resources also contribute to the preservation of biodiversity.

The plants take more specific actions to preserve biodiversity:

- the Dublin plant deploys a biodiversity action plan:
 - mapping to identify all the flora and fauna present on the site,

- continuation of the site's wildflower seed planting initiative,
- installation of equipment, made from recycled materials, to help animals having difficulty in getting out of the site's pond;
- the Marans and Lanester plants are pursuing eco-pasture initiatives;
- the Lyon and Aulnay-sous-Bois plants organized waste collection initiatives as part of the Guerbet Positive volunteer program;
- the Lanester plant has beehives, and the Aulnay-sous-Bois began sponsoring beehives this year;
- Guerbet's industrial plants and the head office are committed to rational management of green spaces by, for example, signing limited weed control contracts.

5.3.7 Green taxonomy

Context of the European Taxonomy

The European Union published Regulation (EU) 2020/852 of June 18, 2020, known as the "Taxonomy" regulation⁽¹⁾, on the establishment of a framework to facilitate sustainable investment within the European Union.

Sustainable activities are described for the first two climate objectives of mitigation and adaptation in annexes I & II of the Climate Delegated Acts.

Sustainable activities are extended to the other four environmental objectives with eligibility reporting required for the 2023 fiscal year, namely:

- sustainable use and protection of water and marine resources;
- transition to a circular economy;

- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Annexes I and II define eligible activities, as well as the technical criteria for qualifying these activities as effectively sustainable. Activities that do not meet these definitions are considered not eligible.

The key performance indicator reporting requirements for the fiscal year pertain to:

- eligibility and alignment for climate objectives;
- eligibility for the other four objectives that Guerbet is required to publish for the first year;

as illustrated in the graphic below.



⁽¹⁾ Taxonomy Regulation (EU) 2020/852 of June 18 (EU Green Taxonomy).
 Disclosure: Delegated Regulation (EU) 2021/2178 of July 6, 2021 (Disclosures Delegated Act).
 Climate: Delegated Regulation (EU) 2021/2139 of June 4, 2021 (Climate Delegated Act).
 Delegated Regulation (EU) 2022/1214 of March 9, 2022 (Complementary Climate Delegated Act).
 Delegated Regulation (EU) 2023/2485 of June 27, 2023, amending the Climate Delegated Act.
 Environment: Delegated Regulation (EU) 2023/2486 of June 27, 2023 (Environmental Delegated Act).

Guerbet is required to publish three performance indicators, based on the Group's consolidated financial statements, resulting from products and/or services associated with economic activities considered sustainable within the meaning of this regulation and the delegated acts, alignment with the two climate objectives, and eligibility for the four new climate objectives:

- proportion of eligible and aligned turnover;
- proportion of capital expenditures (CAPEX);
- proportion of operating expenditures (OPEX).

Guerbet has identified its activities eligible for the climate objectives. Guerbet also analyzed their alignment with the sustainability criteria. To do this, Guerbet verified:

- the substantial contribution to climate objectives;
- the absence of significant harm to the other objectives (DNSH: Do No Significant Harm);
- compliance with minimum social safeguards.

This year, Guerbet also identified its activities eligible for the other four objectives.

Guerbet's CSR strategy and taxonomy

Guerbet's activities are focused on research and innovation and the manufacture and marketing of contrast media, medical devices, and innovative solutions essential for Diagnostic and Interventional Imaging.

Guerbet's activity is directly concerned by two objectives of the green taxonomy:

- pollution control, under 1.2 "Manufacture of medicinal products";
- transition to a circular economy for the following activities:
 - 1.2 "Manufacture of electrical and electronic equipment,"
 - 5.1 "Repair, refurbishment, and remanufacturing,"
 - 5.2 "Sale of spare parts."

Guerbet's turnover-generating economic activities are not directly concerned by the objectives of climate protection, sustainable use and protection of water and marine resources, and protection and restoration of biodiversity and ecosystems.

The regulation targets the sectors of activity with the most impact in the European Union.

In addition to its obligations under the Taxonomy regulation, as part of its CSR strategy, Guerbet has defined its Planet commitment based on five areas: life cycle analysis, decarbonization, resource conservation, discharge control, and lasting partnerships.

In this context, Guerbet has set decarbonization targets that contribute to the climate change mitigation objective. Our targets are as follows, in absolute terms, by 2032, for the reference year 2021 and validated by the SBTi:

- at least 27.5% reduction for scopes 1 and 2;
- at least 13.2% reduction for scope 3.

Taxonomy-eligible activities

Guerbet has identified the Taxonomy-eligible turnover, CAPEX, or OPEX related to its Diagnostic and Interventional Imaging product manufacturing and marketing activities.

Guerbet has identified CAPEX and OPEX related to the objectives directly aimed at its activities:

- pollution control, under 1.2 "Manufacture of medicinal products";
- transition to a circular economy for the following activities:
 - 1.2 "Manufacture of electrical and electronic equipment,"
 - 5.1 "Repair, refurbishment, and remanufacturing,"
 - 5.2 "Sale of spare parts."

Guerbet has also identified CAPEX and OPEX associated with individual measures corresponding purchases and capital expenditures for other Taxonomy-eligible activities, mainly: 6.5 "Transport by motorbikes, passenger cars, and light commercial vehicles," the real estate activities described in section 7, and activity 8.1 "Data processing, hosting, and related activities" of the "Climate Change Mitigation" annex and purchases and capital expenditures related to activity 1.1 "Manufacture of active pharmaceutical ingredients or active substances" of the "Pollution Control" annex.

The scope of Guerbet's Taxonomy-eligible activities, directly and indirectly targeted by the regulation, is summarized in the following table:

Activity	Objective	Turnover	CAPEX	OPEX	Comments
1.2 "Manufacture of medicinal products"	Pollution	×	×	×	activity directly targeted by the regulation
1.2 "Manufacture of electrical and electronic equipment"	Circular economy	×	×	×	activity directly targeted by the regulation
5.1 "Repair, refurbishment, and remanufacturing"	Circular economy	×	×	×	activity directly targeted by the regulation
5.2 "Sale of spare parts"	Circular economy	×	×	×	activity directly targeted by the regulation
6.5 "Transport by motorbikes, passenger cars, and light commercial vehicles"	Climate (mitigation)		×		related to individual measures, corresponding to purchases and capital expenditures for long-term leasing of light vehicle fleets
7.2 & 3.2 "Renovation of existing buildings"	Climate (mitigation) & Circular economy		×		related to individual measures corresponding to purchases and capital expenditures
7.3 "Installation, maintenance, and repair of energy efficiency equipment"	Climate (mitigation)		×		related to individual measures corresponding to purchases and capital expenditures related to this activity
7.4 "Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)"	Climate (mitigation)		×		related to individual measures corresponding to purchases and capital expenditures related to this activity
7.5 "Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings"	Climate (mitigation)		×		related to individual measures corresponding to purchases and capital expenditures related to this activity
7.6 "Installation, maintenance, and repair of renewable energy technologies"	Climate (mitigation)		×		related to individual measures corresponding to purchases and capital expenditures related to this activity
7.7 "Acquisition and ownership of buildings"	Climate (mitigation)		×		related to individual measures corresponding to purchases and capital expenditures for positive changes in rights of use for long-term real estate leases and for constructions for the company's own account
8.1 "Data processing, hosting, and related activities"	Climate (mitigation)		×		related to individual measures corresponding to purchases and capital expenditures related to this activity

Eligible financial indicators

Methodology for identifying eligible financial indicators

The financial information used to calculate eligibility indicators comes from Guerbet's financial monitoring systems for the 2023 fiscal year. An analysis of the data was conducted to avoid double counting of eligible activities in the numerator of the Taxonomy indicators.

Eligible turnover

Given that Guerbet's activities are concerned by two of the Taxonomy objectives, Guerbet presents eligible turnover with respect to the pollution and circular economy objectives summarized below.

Activity	Objective	2023 turnover eligible activities (€K)
1.2 "Manufacture of medicinal products"	Pollution	673,799
1.2 "Manufacture of electrical and electronic equipment"	Circular economy	32,521
5.1 "Repair, refurbishment, and remanufacturing"	Circular economy	6,540
5.2 "Sale of spare parts"	Circular economy	3,023
TOTAL ELIGIBLE TURNOVER (NUMERATOR)		715,883

The consolidated turnover for eligible activities making up the Taxonomy numerator was €715,883 K.

The consolidated turnover making up the Taxonomy denominator was €785,690 K.

The ratio of eligible turnover was 91% of total turnover.

Eligible CAPEX

In 2023, Guerbet's eligible CAPEX included:

- capital expenditures on assets or processes associated with Taxonomy-eligible turnover-generating economic activities:
 - 1.2 "Manufacture of medicinal products" for the pollution control objective,
 - 1.2 "Manufacture of electrical and electronic equipment," 5.1 "Repair, refurbishment, and remanufacturing," and 5.2 "Sale of spare parts" for the circular economy objective,
 - Capital expenditures related to purchases of output Taxonomy-eligible economic activities and individual measures that enable such activities to control pollution: 1.1 "Manufacture of active pharmaceutical ingredients or active substances";
- capital expenditures related to purchases of output of Taxonomy-eligible economic activities and individual measures that enable such activities to become low-carbon or lead to GHG reductions, namely activities:
 - 6.5 "Transport by motorbikes, passenger cars, and light commercial vehicles" for long-term leasing of light vehicle fleets,
 - Real estate sector (categorized respectively as 7. in the climate objectives and 3. in the circularity objective):
 - 7.2 Climate & 3.2 Circular economy "Renovation of existing buildings,"
 - 7.3 "Installation, maintenance, and repair of energy efficiency equipment,"
 - 7.4 "Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings),"
 - 7.5 "Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings,"
 - 7.6 "Installation, maintenance, and repair of renewable energy technologies,"
 - 7.7 "Acquisition and ownership of buildings" for positive changes in rights of use for long-term real estate leases and for constructions for the Company's own account,
 - R&D 8.1 "Data processing, hosting, and related activities" for Artificial Intelligence R&D.

These eligible CAPEX constitute the numerator for calculating the proportion of eligible CAPEX.

Investments related to:	Objective	Standards	Amount (in € thousands)
Manufacture of medicinal products (1.2)	Pollution		9,559
Manufacture of electrical and electronic equipment (1.2)	Circular economy		
Repair, refurbishment, and remanufacturing (5.1) & Sale of spare parts (5.2)			222
Rights of use – Fleet rental rights (6.5)	Climate (mitigation)	IFRS 16	4,046
Tangible assets (6.5)	Climate (mitigation)	IAS 16	0
Renovation of existing buildings (7.2) & (3.2)	Climate (mitigation) & Circular economy		0
Installation, maintenance, and repair of:	Climate (mitigation)		
• energy efficiency equipment (7.3)			
• charging stations for electric vehicles (7.4)			
• instruments and devices for measuring, regulation, and controlling energy performance of buildings (7.5)			
• and renewable energy technologies (7.6)			1,734
Real estate activities and rights of use – Long-term real estate leases (7.7)	Climate (mitigation)	IAS 16	2,439
Artificial Intelligence R&D (8.1)	Climate (mitigation)	IAS 38	0
TOTAL ELIGIBLE CAPEX (NUMERATOR)			18,000

In 2023, the amount of eligible CAPEX (numerator) was €18,000 K, as detailed above.

In accordance with the Taxonomy regulation, the denominator of CAPEX includes R&D acquisitions, gross additions to tangible and intangible assets, and rights of use (IFRS 16 – Leases).

Investments related to:	Standards	Amount (in € thousands)	Reference to the consolidated financial statements
R&D	IAS 38	2,232	Not available for direct reading in the URD
Tangible assets	IAS 16	41,555	Section 6.1.2, note 6.1
Rights of use	IFRS 16	11,488	Section 6.1.2, note 6.1
Intangible assets	IAS 38	10,257	Not available for direct reading in the URD
TOTAL CAPEX (DENOMINATOR)		65,532	

In 2023, the denominator amount was €65,532 K, as detailed above.

Taxonomy-eligible CAPEX totaled €18,000 K, representing 27% of total CAPEX.

Eligible OPEX

In 2023, Guerbet's eligible OPEX included direct non-capitalized costs related to:

- assets or processes associated with eligible economic activities, i.e. R&D for the following activities:
 - Manufacture of medicinal products, (1.2) for the pollution control objective,

- Manufacture of electrical and electronic equipment (1.2), Repair, refurbishment, and remanufacturing (5.1), and Sale of spare parts (5.2) for the circular economy objective,
- Artificial Intelligence (8.1) for the climate objective;
- purchase of eligible economic activities, i.e. construction and real estate activities.

Direct non-capitalized costs related to:	Objective	Amount (in € thousands)
Manufacture of medicinal products R&D (1.2)	Pollution	51,487
Manufacture of electrical and electronic equipment R&D (1.2)	Circular economy	5,077
Repair, refurbishment, and remanufacturing (5.1) & Sale of spare parts (5.2)		
Artificial Intelligence R&D (8.1)	Climate	7,264
TOTAL ELIGIBLE OPEX (NUMERATOR)		63,828

In 2023, eligible OPEX (numerator) totaled €63,828 K, as detailed above.

Direct non-capitalized costs related to:	Amount (in € thousands)	Cross reference to the 2022 consolidated financial statements
R&D	81,228	Section 1.6.6
Maintenance	26,484	Not available for direct reading in the URD
TOTAL OPEX (DENOMINATOR)	107,712	

In accordance with the Taxonomy regulation, the denominator of OPEX consists of direct non-capitalized costs related to R&D and maintenance costs, which amounted to €107,712 K.

Taxonomy-eligible OPEX totaled €63,828 K, representing 59% of total OPEX.

Aligned financial indicators

Methodology for evaluating aligned financial indicators

These initial eligibility and alignment analyses by Guerbet are likely to evolve in the coming years with changes in the availability of data, especially technical data and information from equipment suppliers or service providers, as well as changes in the regulation.

Specific substantial contribution and DNSH criteria

The substantial contribution and DNSH (Do No Significant Harm to the other objectives) criteria were analyzed to verify alignment. An activity can only be aligned if it does not cause significant harm to any of the other Taxonomy objectives.

For activities measured individually, Guerbet was unable to verify the alignment criteria for all CAPEX and OPEX because of the complexity of the criteria and the difficulties encountered in gathering information internally and externally. As a result, eligible CAPEX and OPEX for individual measures, for which analysis could not be conducted, have been considered as non-aligned. We opted for a conservative approach to avoid fictitious inflation of the ratios. The proportion of Taxonomy-aligned CAPEX and OPEX is probably underestimated.

Methodology for analyzing generic DNSH and minimum safeguards

Adaptation DNSH

Guerbet verified that it meets the Adaptation generic DNSH criteria for all its eligible activities in accordance with appendix A to the set of annexes.

The Group conducted an analysis of the exposure of its activities to climate risks, including physical climate risks. This analysis was deployed on the real estate assets identified as material by the Group and including physical climate risks (temperature, drought, precipitation, natural disasters, etc.). For more information, see section 5.3.1.1 "Climate risks and opportunities."

The Group later conducted a financial vulnerability assessment of the main risks, including physical and transition risks, to determine the significance of the risks. Climate risks are projected to 2030, 2040, and 2050 based on two scenarios: a low-emissions scenario (1.5° C) and a high-emissions scenario (4° C). In connection with these analyses, Guerbet identified adaptation solutions to reduce the main climate risks, including physical risks.

Minimum social safeguards

In accordance with the guiding principles of the minimum safeguards described in article 4 of the Taxonomy regulation, economic activities must also respect minimum social safeguards.

In terms of human rights, Guerbet relies on its management systems, policies, and tools, such as its ethics charter and its secure whistleblowing platform (see section 5.4.1 "Human rights").

Guerbet also relies on its responsible purchasing approach, especially its Supplier Code of Ethics (see section 5.3.4 "Lasting partnerships").

Guerbet does not have a specific mapping on human rights. The Group plans to establish it in 2024 and, on the basis of this analysis, will be able to define a specific human rights policy to supplement the existing mechanisms.

Guerbet has identified a plan to improve its minimum social safeguards by 2025 and has no record of human rights abuses^[2]. Guerbet thus considers that it meets the criteria of minimum safeguards on human rights.

Corruption

In terms of anti-corruption measures, Guerbet has set up a system to prevent corruption and influence peddling in compliance with the Sapin II law, implemented by the Audit, Internal Control, and Compliance Department, which reports directly to the Chief Executive Officer. The Internal Control and Anti-Corruption Department is responsible for deploying these measures within the Group with the support of the regional or local managers, who constitute a network of correspondents. This is accompanied by policies and procedures, including an ethics charter, a secure whistleblowing platform, and employee training (see section 5.4.2 "Prevention of corruption and conflicts of interest").

Competition law

Guerbet respects the rules of open, fair, and honest competition wherever the Group operates and promotes it in its ethics charter. As such, it prohibits any price fixing, protects its customers and partners against unfair commercial practices,

and is committed to gathering relevant competitive intelligence. Guerbet regularly trains its exposed employees in best practices in competition law (see section 5.4.3 "Compliance with competition law").

Taxation

The risk of tax avoidance has not been identified as a material issue for the Group. Guerbet Group neither encourages nor promotes tax avoidance or operations in non-cooperative countries and territories for itself, its subsidiaries, or its customers.

Eligibility and alignment results for the 2023 fiscal year

The results of the Taxonomy indicators for the 2023 fiscal year are summarized below. Detailed results using the regulatory tables are presented in the annexes on pages 156 to 161.

In 2023, eligible CAPEX totaled €18,000 K, or 29% of total CAPEX.

Aligned CAPEX amounted to €1,982 K, or 11% of eligible investments and 3% of total CAPEX.

Amount (in € thousands)	2023
Eligible and aligned investments	1,982
Proportion of aligned investments out of TOTAL CAPEX	3%
Proportion of aligned investments out of eligible investments	11%
Eligible but not aligned investments	16,018
Eligible investments	18,000
Proportion of eligible investments	29%
Non-eligible investments	45,032
TOTAL CAPEX (DENOMINATOR)	63,032

Guerbet was unable to verify the alignment criteria for all OPEX and CAPEX because of the complexity of the criteria and the difficulties encountered in gathering information internally and externally. As a result, eligible OPEX and CAPEX for individual measures, for which analysis could not be conducted, have been considered as non-aligned. The proportion of Taxonomy-aligned OPEX and CAPEX was probably underestimated. For example, we were unable to verify alignment in the installation of the following equipment promoting decarbonization at our industrial plants, such as the replacement of a boiler or refrigeration equipment related to activity 7.3.

The aligned investments mainly relate to:

- the use of electric and hybrid vehicles, encouraged by the company car policy (activity 6.5), especially in countries with the least carbon-intensive electricity production. For example, at the end of 2023, 34% of company cars in France were hybrid or electric (versus 24% in 2022 and 19% in 2021). Alignment could not be verified on all the vehicles concerned;
- the acquisition of an energy class B administration building, in the top 15% nationally, at one of our industrial plants (activity 7.7).

Note that certain decarbonization investments are not included in eligible investments either because the reporting systems in place are unable to provide this level of detail or because they are not considered eligible by the regulation.

^[2] Verified by consulting the National Contact Points and BHRR databases.

Conclusion and outlook

The ratio of eligible and aligned CAPEX, calculated in 2023, does not reflect Guerbet's actions and investments to reduce the impact of its activities on the environment, described in section 5.3 "Planet."

On the one hand, Guerbet's turnover-generating economic activities are not directly concerned by the climate objectives, as the regulation targets the business sectors with the greatest potential positive or negative impact.

On the other hand, for activities measured individually on the climate objectives, Guerbet was unable to verify the alignment criteria for all CAPEX and OPEX because of the complexity of the criteria and the difficulties encountered in gathering information internally and externally. As a result, eligible CAPEX and OPEX for individual measures, for which analysis could not be conducted, have been considered as non-aligned. The proportion of Taxonomy-aligned CAPEX and OPEX is probably underestimated.

Lastly, for Guerbet's turnover-generating economic activities:

- 1.2 "Manufacture of medicinal products" for the pollution control objective;
- 1.2 "Manufacture of electrical and electronic equipment," 5.1 "Repair, refurbishment, and remanufacturing," and 5.2 "Sale of spare parts" for the transition to a circular economy objective.

Guerbet is not subject to the Taxonomy-alignment analysis until fiscal year 2024. The turnover, CAPEX, and OPEX of these activities were therefore considered not Taxonomy-aligned for this year. Guerbet is conducting this alignment analysis in 2024 for these activities.

Guerbet will review the methodology used to calculate indicators based on external data and information that will probably become more readily available in the future and on the basis of regulatory changes.

The Group is also considering the inclusion of criteria contributing to alignment in these procedures, notably with regard to purchasing and internal reporting on investments.

	Proportion of aligned turnover/ (absolute turnover)	Proportion of eligible turnover/ (absolute turnover)
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	5%
PPC	0%	86%
BIO	0%	0%

	Proportion of aligned CAPEX/ (absolute CAPEX)	Proportion of eligible CAPEX/ (absolute CAPEX)
CCM	3.1%	13%
CCA	0%	0%
WTR	0%	0%
CE	2.9%	3.3%
PPC	0%	15%
BIO	0%	0%

	Proportion of aligned OPEX/ (absolute OPEX)	Proportion of eligible OPEX/ (absolute OPEX)
CCM	0%	10%
CCA	0%	0%
WTR	0%	0%
CE	0%	7%
PPC	0%	74%
BIO	0%	0%

CCM: Climate Change Mitigation

CCA: Climate Change Adaptation

WTR: Water and Marine Resources

EC: Circular Economy

PPC: Pollution Prevention and Control (Pollution)

BIO: Biodiversity and ecosystems

TAXONOMY ANNEX – TURNOVER

(1)	(2)	(3)	(4)	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						(17)	(18)	(19)	(20)
				(5)	(6)	(7)	(8)	(9)	(10)										
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1	Category (enabling activity)	Category (transitional activity)
Economic activities	Code(s)	Total turnover	% of turnover	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	(%)	H	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Taxonomy-aligned activities																			
Turnover of Taxonomy-aligned activities (A.1.)		0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	H	
of which transitional		0	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		T
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
Manufacture of medicinal products	PPC 1.2	673,799	86%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A		
Manufacture of electrical and electronic equipment	CE 1.2	32,521	4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A		
Repair, refurbishment, and remanufacturing	CE 5.1	6,540	1%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A		
Sale of spare parts	CE 5.2	3,023	0.4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A		
Turnover of Taxonomy-eligible but not Taxonomy-aligned activities (A.2.)		715,883	91%	0%	0%	0%	5%	86%	0%								N/A		
TOTAL A (A.1. + A.2.)		715,883	91%	0%	0%	0%	5%	86%	0%								N/A		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		69,807	9%																
TOTAL (A + B)	N/A	785,690	100%																

TAXONOMY ANNEX – CAPEX

(1)	(2)	(3)	(4)	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						(17)	(18)	(19)	(20)
				(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity and ecosystems				
Economic activities	Code(s)	Absolute CAPEX	Proportion of CAPEX																
	(in thousands of €)		(%)	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Taxonomy-aligned activities																			
Transport by motorbikes, passenger cars, and light commercial vehicles	CCM 6.5	172	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Yes	Yes	N/A	Yes	Yes	N/A	Yes	N/A	T	
Acquisition and ownership of buildings	CCM 7.7	1,810	2.9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Yes	Yes	N/A	N/A	N/A	N/A	Yes	N/A	T	
Capital expenditures of Taxonomy-aligned activities (A.1.)	N/A	1,982	3.1%	3.1%	0%	0%	0%	0%	0%	Yes	Yes	N/A	N/A	N/A	N/A	Yes	N/A		
of which enabling	N/A	0	0%	0%	0%	0%	0%	0%	0%								N/A	H	
of which transitional	N/A	1982	3.1%														N/A	T	
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
Manufacture of medicinal products	PPC 1.2	9,559	15.2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Manufacture of electrical and electronic equipment																			
Repair, refurbishment, and remanufacturing	EC 1.2																		
Sale of spare parts	EC 5.1																		
	EC 5.2	222	0.4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A		
Transport by motorbikes, passenger cars, and light commercial vehicles	CCM 6.5	3,874	6.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		
Installation, maintenance, and repair of energy efficiency equipment	CCM 7.3	1,734	2.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		
Acquisition and ownership of buildings	CCM 7.7	629	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		
Capital expenditures of Taxonomy-eligible but not Taxonomy-aligned activities (A.2.)	N/A	16,018	25.4%	25.4%	N/EL	N/EL	0%	0%	N/EL										
TOTAL A (A.1. + A.2.)	N/A	18,000	28.6%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capital expenditures of Taxonomy-non-eligible activities (B)	N/A	45,032	71.4%																
TOTAL A + B	N/A	63,032	100%																

TAXONOMY ANNEX – OPEX

(1)	(2)	(3)	(4)	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						(17)	(18)	(19)	(20)
				(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity and ecosystems				
Economic activities	Code(s) <i>(in thousands of €)</i>	Total OPEX	% of OPEX <i>(%)</i>	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OPEX, year N-1 <i>(%)</i>	Category (enabling activity) <i>H</i>	Category (transitional activity) <i>T</i>
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Taxonomy-aligned activities																			
OPEX of Taxonomy-aligned activities (A.1.)	N/A	0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
of which enabling	N/A	0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	H	
of which transitional	N/A	0	0%							N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		T
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
Manufacture of medicinal products	PPC 1.2	51,487	74%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A		
Manufacture of electrical and electronic equipment	CE 1.2	5,077	7%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A		
Data processing, hosting, and related activities	CCM 8.1	7,264	10%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		
OPEX of Taxonomy-eligible but not Taxonomy-aligned activities (A.2.)		63,828	91%	10%	N/EL	N/EL	7%	74%	N/EL								N/A		
TOTAL A (A.1. + A.2.)		63,828	91%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OPEX of Taxonomy-non-eligible activities (B)		6,154	9%																
TOTAL (A + B)		69,982	100%																

5.4 BUSINESS ETHICS

5.4.1 Human rights

Guerbet Group is committed to ensuring that its entities comply with the fundamental conventions of the International Labour Organization (ILO), namely:

- recognition of freedom of association and collective bargaining rights;
- elimination of discrimination with regard to employment and occupation;
- elimination of forced or compulsory labor;
- the effective abolition of child labor.

Guerbet must also ensure that human rights are respected in its value chain. Guerbet incorporates human rights into its internal management systems, policies, and tools such as its ethics

charter, secure whistleblowing platform, and its Supplier Code of Ethics. Guerbet only works with suppliers who respect human rights, labor laws, the environment, and business ethics (see section 5.3.4 “Lasting partnerships”). Guerbet makes patient safety a top priority and protects the rights of those who take part in clinical trials. Collaborations between Guerbet and patient organizations are established according to principles that guarantee the transparency and ethics of these collaborations (see sections 5.2.2.6 “Relations with local authorities and communities” and 5.2.2.7 “Relations with patents and healthcare professionals” in the paragraph “Closer look at interaction with patient organizations”).

5.4.2 Prevention of corruption and conflicts of interest

Guerbet’s ambition is to promote a strong culture of ethics and integrity within the Group and its value chain in order to prevent and detect risks of corruption and influence peddling to support sustainable, responsible growth.

As specified in the Group’s Ethics Charter, Guerbet does not tolerate any form of corruption or influence peddling. The trust of our stakeholders and our long-term success depend on it. Vigilance is therefore essential for everyone, regardless of hierarchical level or workplace, particularly in relations with customers, suppliers, purchasing advisors, public officials, and intermediaries.

The Group’s Audit, Risk, Internal Control, and Ethics Department, which reports directly to the CEO, has established measures for preventing corruption and influence peddling in accordance with the Sapin II law. Within this department, the Anti-Corruption Manager is responsible for deploying these measures within the Group with the support of the regional or local managers, who constitute a network of correspondents.

5.4.2.1 Corruption risk mapping

Guerbet has developed a mapping of corruption and influence-peddling risk scenarios based on a methodology that combines internal and external data in accordance with the recommendations of the AFA (French anti-corruption agency).

Guerbet thus uses a risk-based approach to continuously strengthen its internal controls in view of specific identified risks and implements additional action plans when necessary with the managers of the functions in question to improve the prevention and detection of corruption risks.

5.4.2.2 Preventive measures

Ethics Charter and policies

By distributing the Group’s ethics charter to all employees, Guerbet renews its commitment to combat all forms of corruption, influence peddling, conflicts of interest, and any practices that do not comply with the law or are not in keeping with the integrity of its business affairs. The chapter “Acting with integrity in conducting business” of this charter addresses the standards of conduct expected in the prevention of conflicts of interest, representation of interests, compliance with competition law, responsible purchasing, and the fight against corruption.

The chapter “Respecting patients and healthcare players” covers product information, interactions with healthcare professionals, and interactions with patient organizations. Interaction with healthcare players is essential to achieving Guerbet’s missions. These include exchanges of information on the efficacy and safety of contrast media and medical devices, through collaboration with these players for training in diagnostic and interventional radiology practices, and research and development programs. Long subject to these national and international regulatory requirements and strict internal rules, the Group applies them to allow these relationships to be maintained with integrity, fairness, and transparency in accordance with national and international ethical standards.

In addition to an anti-corruption policy revised in 2023, Guerbet has a policy for managing conflicts of interest, accompanied by an individual questionnaire designed to identify situations that could lead to conflicts of interest. This questionnaire is sent to the Group’s middle and senior management, who make up the Global Leadership Team.

Training

An interactive e-learning module on the Group's ethics charter is available in 13 languages and provided to all new employees when they join the Group. It provides an illustration of the topics addressed in the charter through concrete examples and scenarios.

The corruption prevention e-learning module implemented in 2020 in French and English was redeployed this year. Originally intended primarily for the Group's top managers and executives, the module is now available in seven languages and accessible to a larger number of exposed employees depending on their geographic region or function.

Ad hoc awareness-raising sessions have also been held for exposed employees and all Group buyers and sales managers as well as our commercial partners in certain sensitive geographical regions.

Evaluation of third parties

Given its business activity and the analysis of corruption risks through third parties, Guerbet has put in place a procedure to evaluate third parties with an initial focus on the evaluation of

its commercial partners, such as distributors. Based on a number of risk criteria, such as country risk or type of third party, commercial intermediaries undergo a specific evaluation procedure and are contractually bound to comply with anti-corruption clauses.

5.4.2.3 Whistleblowing

Guerbet encourages its employees to report any acts inconsistent with its ethical principles, especially those that could be considered as corruption, to their line manager or the designated officials or through a dedicated whistleblowing platform. This secure whistleblowing platform is separate from the computing network and available to all Group employees. It allows any whistleblowing issues reported anonymously or otherwise to be collected, recorded, and investigated confidentially. This whistleblowing system is included in the Group's ethics charter and is accessible to external stakeholders. An annual report on the operation of the whistleblowing system and the associated escalations was presented to the Ethics Committee of the Board of Directors in 2023.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Combating corruption and preventing conflicts of interest	- Updating the Group's anti-corruption and conflict-of-interest policies and related procedures - Reinforcing the control measures based on the corruption risk mapping established within the Group - Training and raising awareness: extending anti-corruption awareness among employees and providing periodic training for those who are most at risk as well as external stakeholders - Evaluating third parties: applying the procedure for evaluating third parties to all of the Group's third parties on the basis of the identified risks - Promoting the whistleblowing system and encouraging its use within the Group	- Revision of the Group's anti-corruption policy in 2023 - Updating of the corruption risk mapping and presentation of anti-corruption measures and priority actions to the Ethics Committee - Continued deployment of the Group's anti-corruption training to the most exposed functions/geographic regions, with more than 848 people trained - Group-wide mapping of commercial third parties presenting risks and reinforcement of the evaluation system - Report on escalations through the whistleblowing system presented to the Ethics Committee. In 2023, 19 messages were received through our whistleblowing system from three different countries - Video and internal communication about our whistleblowing system to encourage its use

5.4.3 Compliance with competition law

Guerbet respects the rules of open, fair, and honest competition wherever the Group operates and promotes it in its ethics charter. As such, it prohibits any price fixing, protects its customers and partners against unfair commercial practices, and is committed to gathering relevant competitive intelligence.

We compete fairly by promoting innovation and quality. The price of our products and solutions is defined in an ethical, objective, balanced, and reliable manner. We ensure compliance with drug promotion rules.

Guerbet's business strategy is based on market and environmental analyses conducted by our departments using available public data.

In France, the promotion of drugs is governed by the certification standards for information activities aimed at the promotion of medicinal products through direct marketing or sales prospecting, produced by the French national health authority (HAS). Independent certifying bodies ensure that the promotion practices of drug companies comply with the 2014 Charter, which reinforces the quality and transparency of medical examinations.



Action plan and results

Theme	Objectives and key focuses for 2018-2023	Actions, progress, and results in 2023
Compliance with competition law	Maintaining compliance with competition law by training exposed employees	- In 2023, the Group was subject to no competition proceedings or complaints - Regular training in best practices in competition law for exposed persons

5.4.4 Responsible use of laboratory animals in research

In research and innovation, Guerbet's work is focused on two key medical imaging segments: Diagnostic Imaging – including Magnetic Resonance Imaging (MRI), X-ray Imaging, and Imaging Solutions and Services (ISS) – and Interventional Imaging.

Where the use of animals is imperative, studies are supervised by professionals who receive ongoing training and using procedures and conducted according to procedures compliant with applicable regulations. Experiments are conducted with a concern for preventing animal suffering as much as possible. These precautions, which are an integral part of our procedures, are applied throughout the life of the animals, from accommodation to care, and all the way to scientific experimentation.

Since 1996, Guerbet has voluntarily committed to the international principles of the "3Rs" of Replacement, Reduction, and Refinement:

- Replacement: give preference to other methods over animal testing. Laboratory animals are used only when absolutely necessary, *i.e.* when the objective of the study cannot be achieved by other means, particularly *in vitro* testing;

- Reduction: use animal testing as little as possible in a research study, bearing in mind that a representative panel is necessary;
- Refinement: improve the animals' comfort and prevent animal suffering by using appropriate analgesia and anesthesia methods.

In accordance with the applicable regulations, Guerbet reports to an external ethics committee consisting of around 30 independent members. The Ethics Committee assesses each research project requiring the use of an animal model and gives an opinion which is attached to any application for project authorization submitted to the French Ministry of Higher Education and Research. Guerbet also has a five-member animal welfare structure, including an independent veterinarian. The animal welfare structure is responsible for advising professionals on animal welfare issues and for auditing practices and studies. Guerbet may need to subcontract studies and only works with companies applying the same rules.

Wanting to offer innovative solutions for the future, Guerbet ensures that such work complies with ethical rules and respects animal welfare.

5.5 CSR DATA CONSOLIDATION METHODOLOGY

5.5.1 Scope and methods of consolidation

5.5.1.1 Quality data

Scope

Quality data are consolidated for the Group's industrial plants. Administrative and commercial units are excluded from the statement of non-financial performance. However, initiatives are also being taken, and indicators are being monitored at these plants.

Methods of consolidation

Monthly quality data reporting is done through internal consolidation files and analyzed quarterly.

The reporting period for the quality indicators for year N is January 1 to December 31 of year N.

To ensure the uniformity and reliability of the quality indicators monitored at all the industrial plants, Guerbet has established a reference framework describing the definitions of the quality indicators and the calculation methods.

- simplifying and aligning HR processes;
- improving performance through development plans and target setting, with ongoing monitoring up to the year-end assessment;
- facilitating employee mobility;
- involving employees in their own development;
- strengthening managers' commitment regarding human resources;
- managing the recruitment process;
- managing compensation campaigns;
- setting up a job management system for the organization.

Particular attention is given to data quality.

In terms of timeline:

- the number of employees for year N is reported at December 31 of year N;
- the reporting period for the training indicators for year N is from January 1 to December 31 of year N.

5.5.1.2 HR data

Scope

HR data are consolidated for all Guerbet companies worldwide, for all Group activities, from the moment they are included in the HR information systems:

- MyHR, which is the global human resources information system, including workforce monitoring;
- two main Learning Management Systems (LMS): Compliance Wire (mainly for quality, safety, and regulatory training) and MyHR-LMS (mainly for other training), along with the collection of data in Excel for the Lanester and Marans plants. In 2024, Guerbet will have a single LMS (MyHR-LMS in its validated version) for easier, more reliable monitoring of training data for the entire Group.

Methods of consolidation

Consolidation of training data is done using MyHR-LMS, Compliance Wire, and Excel files.

MyHR has been rolled out across the entire Group with the main objectives of:

- centralizing data to significantly improve data quality/reliability and HR reporting with a two-level system (global and local) permitting integration/compliance with local requirements. Most of the entities have switched to a global payroll organization, facilitating accounting, control, and payment. This step enhances the management of HR data;

5.5.1.3 Health and safety data

Scope

Data on workplace incidents and occupational diseases are consolidated globally for all employees of Guerbet companies, for all the Group's businesses. The published data exclude temporary workers and subcontractors, but they are monitored internally.

Methods of consolidation

To ensure the uniformity and reliability of the workplace incident and disease indicators monitored across all its entities, Guerbet has implemented a Group reporting procedure. This document specifies the methodologies to be followed for the reporting of workplace incidents and occupational diseases throughout the Group: definitions, reporting deadlines, and calculation of indicators.

Each month, Guerbet consolidates the number of incidents at the Group level, the number of days lost, and the Total Recordable Incident Rate (TRIR).

The TRIR is adjusted annually based on the number of staff at December 31 of year N.

The incident frequency rate and severity rate are consolidated annually.

The reporting period for the safety indicators for year N is from January 1 to December 31 of year N.

5.5.1.4 Environmental data

Scope

Environmental data are consolidated for the Group's main industrial and Research and Innovation (R&I) facilities. Guerbet's plant in Lyon is excluded, as are the administrative and sales units, whose impact is not significant. However, initiatives are also carried out at these locations.

Greenhouse gas emissions are consolidated for scopes 1 and 2 for all Group entities.

Methods of consolidation

Environmental data reporting is done through internal consolidation files.

The reporting period for the environmental indicators for year N is from January 1 to December 31 of year N.

To ensure the uniformity and reliability of the environmental indicators monitored at the eight main industrial and R&I facilities, Guerbet has defined the various indicators, conversion factors, and emission factors.

Guerbet consolidates the energy, water, and greenhouse gas emissions indicators on energy sources on a monthly basis.

Guerbet consolidates indicators on externally treated waste on an annual basis, distinguishing between recovered and non-recovered waste.

5.5.2 Change in scope of consolidation

- Acquisition of Intracense in June 2023. Intracense's year-end headcount was taken into account only for the total workforce of 2,920 employees in section 5.2. "People" and in the graph showing the breakdown of the workforce by region.
- Plan de Sauvegarde de l'Emploi* (PSE: employee savings plan) announced in January 2023 by Group Management. This PSE is part of the Group's reorganization following the changes in its strategy.

5.5.3 Methodological details and limitations

The HR, health, safety, and environmental indicators may have limitations due to:

- the lack of official HR definitions at the international level, which can lead to disparities (e.g. types of employment contracts);
- procedures for collecting and entering information;

- changes in certain data (e.g. regulatory changes in the calculation of the percentage of employees with disabilities in France and updating of greenhouse gas emission factors);
- the unavailability of data in the systems, which means that the data cannot be used or consolidated.

Guerbet has therefore clarified the definitions and methodologies used for these indicators.

5.5.4 Data responsibilities and controls

The HR and HSE teams at the head office are responsible for consolidating the data on the basis of the information provided by the Group's various entities.

The HSE indicators of the industrial plants are consolidated by the HSE managers, who conduct an initial review of the data.

Consistency reviews are performed by the HR and HSE teams at the head office during consolidation. These controls include, for example, loopbacks, comparison with data for prior fiscal years, and analysis of divergences deemed significant.

5.5.5 Quality indicators

5.5.5.1 Percentage "right the first time"

This is the number of operations on batches released (or certified) without a deviation during the month relative to the total number of operations on batches released (or certified) during the month.

5.5.5.2 Batch release cycle time

This is the number of days between the start of production and the first release of the sub-batch or complete batch.

5.5.5.3 Performance of quality control laboratories

This is the number of quality control analyses conducted per full-time-equivalent employee.

5.5.6 Social indicators

5.5.6.1 Workforce

The workforce includes all employees who have a contract (open-ended or fixed-term) with a Guerbet company, including apprentices and interns who have a contract with Guerbet. Interns are counted if they have a contract with Guerbet. In France, for example, they are excluded from reporting (intern under an internship agreement). Employees are counted over the entire calendar year (from January 1 to December 31 of year N).

It is the number of employees at December 31 of year N.

Employees with a contract ending on December 31 of year N are included in the workforce at December 31 of year N.

The workforce is expressed as a number of employees regardless of working time or start date during year N.

Breakdown of workforce by region

The regions are determined as follows:

- France;
- EMEA (Europe, Middle East, and Africa – excluding France): Austria, Belgium, the Czech Republic, Germany, Ireland, Israel, Italy, the Netherlands, Poland, Portugal, South Africa, Spain, Switzerland, Turkey, and the United Kingdom;
- North America: United States;
- LATAM (Latin America): Argentina, Brazil, Chile, Colombia, Mexico, and Panama;
- Asia-Pacific: Australia, China, Hong Kong, India, Japan, South Korea, and Taiwan.

5.5.6.2 Diversity

Middle managers and executives

This category includes members of the Executive Committee as well as positions of responsibility and impact on the Group's strategy, such as positions on the plant management committee, the subsidiary management committee, and the

central function management committee. Special attention is given to this category, particularly in connection with an objective of equal gender representation in senior management positions.

Nationality

This indicator comes from MyHR data and has limitations associated in particular with the inputting of this information into the tool.

Moreover, for employees who have multiple nationalities, only one is entered in the tool.

5.5.6.3 Training

Number and percentage of employees trained

The employees counted are those on open-ended contracts or fixed-term contracts, apprentices, and paid interns present during the year. An employee who has participated in multiple training courses is counted as a single trained employee. For year N, the number of trained employees comes from the following training tracking tools:

- Compliance Wire, mainly for quality, safety, and regulatory training and for all e-learning;
- MyHR, mainly for other training, with the exception of training data for the Marans and Lanester plants, which are collected separately (Excel file).

The training courses counted are those conducted by a trainer and/or in e-learning mode.

The reporting period for training indicators for year N is from January 1 to December 31 of year N. Training courses taking place over multiple years are counted in the year when the training ends.

The percentage of employees trained is calculated on the basis of all employees trained during the year, including those who left the company during the year and interns.

5.5.7 Safety indicators

5.5.7.1 Recorded incidents

For the entire Group, Guerbet consolidates the number of recorded incidents according to the Group's internal reporting procedure, which keeps a record of lost-time incidents, adapted workstations, or medical treatment.

5.5.7.2 Theoretical hours worked

This indicator is used to calculate the incident frequency and severity rates.

The theoretical hours worked are calculated on the basis of the Group's year-end workforce over year N and the legal annual working time in France (1,607 hours).

Calculation: workforce at December 31 of year N $\times$ 1,607 hours.

5.5.7.3 TRIR

Total Recordable Incident Rate for Guerbet employees (open-ended contracts, fixed-term contracts, apprentices, and interns).

This is the number of recorded incidents (according to the Group's internal procedure) in year N at the Group level per 100 employees.

This indicator has been rolled out across the whole Group.

Calculation: number of recordable incidents in year N $\times$ 100/ number of employees at year-end.

Guerbet monitors the change in the TRIR over the 2017-2023 period against the reduction target set for this period.

5.5.7.4 Workplace incident frequency rate

This is the number of lost-time workplace incidents (according to the Group's internal procedure) in year N at the Group level per million theoretical hours worked.

Calculation: number of lost-time workplace incidents in year N $\times$ 1,000,000/theoretical hours worked.

5.5.7.5 Workplace incident severity rate

The severity rate is the ratio between the number of days lost as a result of workplace incidents according to the Group's internal procedure and the number of hours worked multiplied by 1,000. The aim is to express the severity of incidents as a function of lost time.

Several indicators are monitored:

Indicator	Methodology
Incident severity rate year N	Number of days lost in year N for incidents that occurred in year N per 1,000 theoretical hours worked
Two-year average severity rate	Average of the severity rates for year N and year N-1
Incident severity rate year N & N-1	Number of days lost in year N for incidents that occurred in year N and N-1 where the days lost continued into year N, up to a limit of 365 consecutive days, per 1,000 theoretical hours worked

5.5.8 Environmental indicators

5.5.8.1 Water consumption

The reporting period for the water indicators for year N is from January 1 to December 31 of year N.

This is the consumption of public water only. Consumption of water recycled in-house is excluded (indicator consolidated separately). Data from previous years have been adjusted to reflect the change in methodology.

The data are measured by the plants through water invoices or, failing that, on the basis of meters with a verification of their consistency with the invoice.

The data are consolidated each month at the Group level in absolute and relative terms.

The objective pertains to the relative consumption of water, *i.e.* relative to production quantities from January 1 to December 31 of year N. Production quantities include production by the chemical and pharmaceutical plants but not the production of injectors.

5.5.8.2 Energy consumption

Energy includes electricity, gas, and fuel oil used for production or heating. Consumption of gas and fuel oil to operate forklifts or power backup generators is excluded.

The reporting period for the energy indicators for year N is from January 1 to December 31 of year N.

The data are measured by the plants through energy invoices or, failing that, on the basis of meters with a verification of their consistency with the invoice.

Conversion factors have been established at the Group level and are used automatically in the reporting files to ensure consistency.

The data are consolidated each month at the Group level in absolute and relative terms.

The objective pertains to the relative consumption of energy, *i.e.* relative to production quantities from January 1 to December 31 of year N. Production quantities include production by the chemical and pharmaceutical plants but not the production of injectors.

5.5.8.3 Waste treated externally

The distinction between recovered and non-recovered waste is the distinction made by the European regulations for European Union member countries (Decision 2000/532/EC of May 3, 2000) and the local regulations for other countries.

The reporting period for the waste indicators for year N is from January 1 to December 31 of year N. This means that waste for external treatment that left the plant between January 1 and December 31 of year N is recorded cumulatively in year N. On-site waste awaiting removal by an external company is excluded from this indicator.

When raw data are expressed in cubic meters, in the absence of precise data, a density of 1 is assumed (1 cubic meter is equivalent to 1 metric ton).

The data are recorded by the plants using waste tracking records or local equivalents.

The data are consolidated once a year at the Group level in absolute and relative terms (*i.e.* relative to production quantities from January 1 to December 31 of year N). Production quantities include the production by the chemical and pharmaceutical plants but not the production of injectors.

5.5.8.4 GHG emissions for scopes 1 and 2

The reporting period for GHG emissions for scopes 1 and 2 is from January 1 to December 31 of year N.

Guerbet tracks two indicators:

- energy-related GHG emissions from the industrial plants;
- Group scope 1 & 2 GHG emissions.

The data are counted on the basis of:

- energy reporting: according to the actual consumption in year N for industrial plants; on the basis of actual consumption for the head office and calculation of the floor space of the premises for the other entities;
- reporting of fugitive emissions (refrigerant leaks) for year N. Refrigerant emissions were obtained using two methods: actual for all industrial plants and by calculation on the basis of floor space for the other entities;

- reporting of actual fuel oil and diesel consumption for mobile equipment;
- reporting of measured or calculated values for process emissions.

Conversion factors (also called emission factors) are centralized and updated at the Group level and are used automatically in the reporting files to ensure consistency.

Emissions resulting from energy consumption are calculated using emission factors mainly from ADEME, AIB, EPA, ECOINVENT, and the LEEM measurement guidelines.

To reflect Guerbet's performance without taking exogenous decarbonization factors into account, we take green energies into account as part of the reduction and calculate emissions related to energy consumption with a constant emission factor. In other words, we take into account the emission factors used in 2021: the emission factors used are those from 2015 for gas and 2020 market-based for electricity ("market-based" means taking into account the electricity suppliers chosen by the companies).

We also track emissions from energy consumption, updating emission factors annually to track our objectives for our "SBTi" commitment. They are represented with arrows indicating "exogenous changes."

Change in scope: This year, Guerbet included emissions from the incineration of solvents at the Lanester plant, which explains the change compared with the 2022 report. The data have also been incorporated for 2021 and 2022 to enable like-for-like comparison. To calculate these emissions from the Lanester incinerator, Guerbet uses an emission factor calculated internally based on thermal oxidation chemical reactions.

The data are consolidated each year at the Group level in absolute and relative terms.

Guerbet also tracks the GHG emissions indicator for energy scopes 1 and 2 at the industrial plants on a monthly and annual basis.

Guerbet's objective over the medium and long term is to reduce emissions in absolute terms. Guerbet also monitors its emissions in relative terms, *i.e.* relative to production quantities from January 1 to December 31 of year N. Production quantities include production by the chemical and pharmaceutical plants but not the production of injectors.

5.6 REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT

For the year ended December 31, 2023

This is a free translation into English of the independent third-party organization's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our capacity as independent third-party organization, member of Mazars Group and accredited by COFRAC Inspection under number 3-1095 (list of accredited sites and their scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated extra-financial performance statement (hereinafter the "Information" and "Statement" respectively), prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended 2023, presented in the management report of Guerbet SA (hereinafter the "Entity") in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comments

Without qualifying 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:

As explained in the methodological note on page 165, the methodology designed by internal teams to calculate emission factors for solvents has not been verified by an independent body specialized in the certification of emission factors. Greenhouse gas (GHG) emissions from published solvents have been calculated on the basis of these uncertified emission factors.

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

Restrictions due to the preparation of the Information

The Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

The Entity's responsibility

The Board of Directors is responsible for:

- selecting or setting appropriate criteria for the preparation of the Information;
- preparing the Statement compliant with legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also, the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- and implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error.

The Statement has been drawn up by applying the Entity's Guidelines as mentioned herein before.

Responsibility of the independent third-party organization

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of Information (observed or extrapolated) provided in application with article R. 225-105 I, 3° and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

We conducted our work in order to provide a reasoned opinion expressing a limited level of assurance on the historical, observed and extrapolated information.

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

This is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (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 truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000 (revised).

This report has been prepared in accordance with the RSE_SQ_Programme de vérification_DPEF

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and the professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of 5 people between February and March 2024 over a total intervention period of 4 weeks.

We conducted interviews with the people responsible for preparing the Statement, representing in particular the human resources, management control, health and safety, environment and training departments.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We estimate that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of the Entity's activity and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, when appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III;
- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including when relevant and proportionate, the risks associated with its their business relationships, its their products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) and quantitative that we considered to be the most important. Other work was carried out on the consolidating Entity;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 15% and 91% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Paris La Défense, Thursday, April 2nd 2024

The independent third-party organization,
Mazars SAS

Bruno POUGET
Partner

Souad El Ouazzani
Partner CSR & Sustainable Development



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6.1 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

6.1.1 Summary financial statements

6.1.1.1 Consolidated balance sheet

ASSETS (net values)

(in € thousands)	Note	December 31, 2023	December 31, 2022
Intangible assets	5	97,115	97,925
Tangible assets	6	293,929	286,119
Other non-current financial assets	1 & 7	24,527	29,273
Deferred taxes – Assets	8	28,038	16,653
Total Non-current assets		443,609	429,970
Inventories	9	305,178	272,496
Trade receivables	10 & 1.1	149,550	121,238
Assets held for sale ^(a)		9,942	10,300
Other current financial assets	1 & 1.1	65,685	63,955
Cash and cash equivalents	1 & 1.2	51,279	41,683
Total Current assets		581,633	509,673
TOTAL ASSETS		1,025,242	939,643

EQUITY & LIABILITIES (net values)

(in € thousands)	Note	December 31, 2023	December 31, 2022
Capital		12,641	12,641
Other reserves		390,334	444,835
Net income		23,866	(41,116)
Translation adjustment		(48,509)	(36,790)
Shareholders' equity, Group share	11	378,332	379,570
Net income and reserves, non-controlling interests		(60)	—
Total Shareholders' equity		378,272	379,570
Non-current financial debt	2.1 & 2.2	374,045	278,431
Other non-current financial liabilities	2	3,689	—
Deferred tax liabilities	8	9,448	9,872
Non-current provisions	12	30,562	32,150
Non-current liabilities		417,743	320,453
Trade and other payables	13 & 2.1	92,916	103,711
Current financial debt		13,000	33,611
Other current liabilities	1 & 2.7	77,957	69,021
Current tax liabilities		29,584	19,366
Other short-term provisions	12	15,770	13,912
Liabilities associated with assets held for sale		—	—
Total Current liabilities		229,227	239,620
TOTAL EQUITY & LIABILITIES		1,025,242	939,643

^(a) Following the Group's announcement in January 2023 of a strategic refocusing, concentrating efforts for activity II on Lipiodol® and putting the catheter activities up for sale, the non-current assets of Accurate Medical Therapeutics and Occlugel were considered "held for sale" pursuant to IFRS 5. These assets and liabilities were recognized at fair value and classified at the bottom of the Group's consolidated balance sheet. This resulted in net assets of €9,942 K. At the date of publication of this document, the disposal of the non-current assets of Accurate Medical Therapeutics and Occlugel has not yet been completed for reasons beyond our control.

6.1.1.2 Consolidated income statement

<i>(in € thousands)</i>	Note	2023	2022
Revenue	4	785,690	753,275
Usage fees		6,908	8,001
Other operating income	14	3,615	8,879
Purchases consumed and change in inventories		(179,704)	(180,424)
Staff costs	15	(263,625)	(240,664)
External charges	16	(233,806)	(232,585)
Taxes	17	(15,441)	(14,992)
Amortization, depreciation, and impairment	18	(61,145)	(119,625)
Net provisions	18	1,037	(1,587)
Other operating income and expenses	19	(4,858)	1,561
Current operating income		38,671	(18,160)
<i>of which profit sharing</i>		<i>(915)</i>	<i>(455)</i>
Income from cash and cash equivalents		123	34
Gross borrowing costs	20	(8,714)	(3,239)
Net borrowing costs		(8,591)	(3,205)
Currency gains/losses		1,707	(3,634)
Other financial income and expenses		(979)	(3,373)
Income tax	21	(8,637)	(12,744)
Consolidated net income		22,171	(41,116)
<i>Net income, Group share</i>		<i>23,866</i>	<i>(41,116)</i>
<i>Net income from non-controlling interests</i>		<i>(1,696)</i>	<i>—</i>
Net earnings per share with € 1 nominal value <i>(in euros)</i>		1.75	(3.25)
Diluted net earnings per share with €1 nominal value <i>(in euros)</i>	27	1.75	(3.25)

6.1.1.3 Consolidated statement of comprehensive income

<i>(in € thousands)</i>	2023	2022
Consolidated net income for the period	22,171	(41,116)
Income and expenses recognized directly in equity		
Non-reclassifiable		
Actuarial gains and losses for IAS 19 obligations	(1,430)	11,286
Deferred tax on actuarial gains and losses on IAS 19 obligations	1,190	(3,069)
Actuarial gains and losses for IFRS 2 obligations	205	(399)
Deferred tax on actuarial gains and losses on IFRS 2 obligations	1,259	103
Reclassifiable		
Hedging instruments	(11,187)	9,134
Change in translation adjustments	(11,716)	11,631
NET INCOME AND GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY	492	(12,430)

6.1.1.4 Consolidated statement of cash flows

<i>(in € thousands)</i>	2023	2022
Net income	22,171	(41,116)
Change in amortization, depreciation, and provisions on fixed assets and other current assets	58,220	123,134
Net provisions for risks	(957)	382
Change in fair value of hedging instruments	(1,973)	(1,358)
Costs of stock options and free shares	205	(399)
Income from sale of fixed assets and other adjustments	1,861	2,273
Cash flow after net borrowing costs and taxes	79,527	82,916
Net borrowing costs	10,635	4,573
Taxes (including deferred taxes)	8,637	12,744
Cash flow before net borrowing costs and taxes	98,799	100,233
Taxes paid	(6,910)	(11,410)
(Increase)/decrease in inventories	(36,274)	(68,228)
(Increase)/decrease in trade receivables	(28,970)	(1,556)
Increase/(decrease) in trade payables	(10,342)	22,146
(Increase)/decrease in other assets	(10,289)	(5,499)
Increase/(decrease) in other liabilities	21,422	(5,245)
Change in operating WCR	(64,452)	(58,382)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	27,437	30,441
Investments	(56,438)	(54,024)
<i>intangible assets</i>	(12,489)	(6,688)
<i>tangible assets</i>	(41,555)	(43,835)
<i>financial assets</i>	(2,394)	(3,500)
Asset disposals	2,414	1,913
<i>intangible assets</i>	720	720
<i>tangible assets</i>	721	1,194
<i>financial assets</i>	973	—
Acquisition of Intrasure net of cash acquired	(2,668)	—
Increase/(decrease) in amounts payable on fixed assets	(3,240)	(3,288)
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)	(59,931)	(55,398)
Dividends paid	(6,310)	(10,733)
Capital increase	—	—
Loan issues	445,541	2,398
Loan repayments	(383,856)	(35,659)
Net finance interest paid (including finance lease agreements)	(10,626)	(4,552)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	44,749	(48,546)
Effect of exchange rate changes (D)	(2,656)	(620)
NET CHANGE IN CASH (A) + (B) + (C) + (D)	9,599	(74,122)
STARTING CASH	41,433	115,556
ENDING CASH	51,032	41,433

Net cash

<i>(in € thousands)</i>	2023	2022
Bank credit facilities	(247)	(250)
Cash and cash equivalents	51,279	41,683
TOTAL	51,032	41,433

6.1.1.5 Statement of changes in consolidated shareholders' equity

<i>(in € thousands)</i>	Capital	Consolidated reserves	Result	Change in translation adjustments	Shareholders' equity Group share	Non-controlling interests	Shareholders' equity
Position at 12/31/2021	12,641	408,236	32,637	(48,422)	405,092	—	405,092
Appropriation of 2021 result		32,637	(32,637)		—		—
Dividend payments		(10,733)			(10,733)		(10,733)
2022 consolidated result			(41,116)		(41,116)		(41,116)
Actuarial gains and losses		14,696			14,696		14,696
Translation adjustments				11,631	11,631		11,631
Capital increase	—	—			—		—
Other transactions		—			—		—
Position at 12/31/2022	12,641	444,835	(41,116)	(36,792)	379,570	—	379,570
Appropriation of 2022 result		(41,116)	41,116		—		—
Dividend payments		(6,311)			(6,311)		(6,311)
2023 consolidated result			23,866		23,866	(1,696)	22,171
Actuarial gains and losses		(7,455)			(7,455)		(7,455)
Translation adjustments				(11,716)	(11,716)		(11,716)
Capital increase	—				—		—
Other transactions		378			378	1,636	2,014
POSITION AT 12/31/2023	12,641	390,334	23,866	(48,509)	378,332	(60)	378,272

6.1.2 Notes to the consolidated financial statements

The figures presented in these notes are expressed in thousands of euros unless otherwise indicated.

6.1.2.1 Accounting policies

a) Basis of presentation and statement of compliance

The main accounting methods applied when preparing the consolidated financial statements are described below. Unless otherwise indicated, these methods were applied consistently to all of the periods presented.

In accordance with Regulation 1606/2002 enacted on July 19, 2002, by the European Parliament and the European Council, the consolidated financial statements of Guerbet have been established in accordance with IFRS (International Financial Reporting Standards), as approved by the European Union on the date the financial statements were prepared. The IFRS as adopted by the European Union differ in some respects from the IFRS published by the IASB. However, the Group has ensured that the financial information for the periods presented would not have been materially different if it had applied the IFRS as published by the IASB.

International accounting standards include IFRS (International Financial Reporting Standards), IAS (International Accounting Standards) and the following interpretations: SIC (Standing Interpretations Committee) and IFRIC (International Financial Reporting Interpretations Committee).

The IFRS as adopted by the European Union at December 31, 2023, can be found in the IAS/IFRS Interpretations and Standards section of the website <https://www.efrag.org/Endorsement>.

b) Principal mandatory standards, amendments, and interpretations applicable at January 1, 2023

The entry into force on January 1, 2023, of:

- IFRS 17 "Insurance Contracts" and its related amendments;
- the amendment to IAS 12 removing the exception for the initial recognition of deferred taxes, where the initial recognition of a transaction gives rise to taxable and deductible differences of the same amount;
- the amendment to IAS 1 on accounting policy disclosures; and
- the amendment to IAS 8 clarifying the difference between an accounting estimate and an accounting method;

have no material impact on Guerbet Group.

As part of the OECD international tax reform on the implementation of a global minimum tax (Pillar 2), the IASB published an amendment to IAS 12 on income tax accounting on May 23. This amendment provides a mandatory exception to the application of IAS 12 to the deferred tax effects of these new rules.

Guerbet Group is within the scope of Pillar 2 and has undertaken tests based on 2022 tax data from the CBCR declaration. The transitional safeguards have been applied, i.e. the Minimis tests, the simplified effective tax rate test (15%), and the routine profits test. Of the 32 tested jurisdictions, no additional taxes were found after applying all the tests.

Lastly, the social security amending finance law for 2023, promulgated on April 14, 2023, raises the legal retirement age in France from 62 to 64 years. Within the meaning of IAS 19, this reform constitutes a plan amendment treated as a cost of services immediately reflected in the income statement. The impact of this reform was recognized in Guerbet's consolidated financial statements but is not material at December 31, 2023.

b bis) Principal standards, amendments, and interpretations published by the IASB not yet mandatory in the European Union at January 1, 2023

The Group has not opted for the early adoption of any standards, amendments, or interpretations that were not mandatory on January 1, 2023.

c) Estimates and judgments

To establish financial statements in accordance with IFRS, the Group makes estimates and assumptions that impact the book value of items in the assets and liabilities, income and expenses, and the information given in certain related notes.

Management evaluates these estimates and assessments continually based on experience and on various other factors judged to be reasonable, which constitute the basis for these assessments.

The main significant estimates made by the Group Management concern the valuation of goodwill and intangible assets with an indefinite life, impairment of inventory, provisions, legal disputes with third parties, and deferred taxes.

c bis) Impact of climate change issues on the financial statements

In preparing the consolidated financial statements, the Group considered the impact of climate change, particularly in the context of the disclosures required in the statement of non-financial performance of the Universal Registration Document.

This consideration had no material impact on the judgments and estimates made by the Group, in line with the analysis indicating that climate change would not have a major effect on the Group's medium-term viability.

d) Consolidation method

Subsidiaries are consolidated according to the control exercised by the parent company. Guerbet consolidates as follows:

- through the full consolidation method, for companies in which the parent company exercises exclusive control directly or indirectly;
- through the equity method, for companies in which the Group exercises significant influence directly or indirectly, without providing management.

All intercompany transactions are eliminated.

d bis) Non-controlling interests

Minority interests or non-controlling interests are assessed according to the rules set out in IFRS 3 on business combinations.

In the context of the acquisition of Intrasure, the minority interests amounting to €1.6 million at December 31, 2023, were determined on the basis of their share in the fair value of identifiable net assets.

e) Business combinations

Business combinations are recognized using the acquisition method. The assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date.

The residual difference between the acquisition cost and the purchaser's share of the net assets measured at their fair value is recognized as goodwill (partial goodwill method).

If this difference is positive, it is recognized as an asset in goodwill. If it is negative, it is immediately recognized as income.

f) Translation methods**Recognition of foreign currency transactions in the accounts of consolidated companies**

Transactions denominated in foreign currencies are converted by subsidiaries into their working currencies at the rate applied on the day of the transaction.

Monetary items on the balance sheet and the cash flow statement are restated at their closing exchange value at the end of the year. Gains or losses resulting from this valuation are recognized on the income statement in "Other financial income and expenses."

Non-monetary items on the balance sheet measured at historical cost are translated using the exchange rate applying at the date of the transaction.

Income from currency option trading is recognized at the option strike date to the extent that the options hedge commercial operations after the end of the year. The premium paid is recognized as an asset on the balance sheet until the option expires.

Currency translation of statements of foreign subsidiaries outside the eurozone

Shareholders' equity is converted at historic rates. Other items on the balance sheet are converted at the official year-end exchange rates, and items on the income statement at the average exchange rate for the year. The difference resulting from the use of these different rates is entered in shareholders' equity under "Translation adjustments."

Special case: conversion of accounts of foreign subsidiaries with a hyperinflationary functional currency

Argentina and Türkiye have been identified as hyperinflationary countries for several years.

IAS 29 "Financial Reporting in Hyperinflationary Economies" applies to the financial statements of Guerbet Argentina, a branch of Guerbet Argentina Ltd. (UK), and Guerbet Ilac Tibbi A.S. (Turkish subsidiary). Guerbet Argentina's financial statements are translated into euros for the purposes of the Group's consolidated financial statements. Under IAS 21.42B, restatements to be made to non-monetary assets/liabilities as defined in IAS 29.8 apply only to financial statements produced starting from the date on which the currency is identified as hyperinflationary. The total non-monetary assets and liabilities of Guerbet Argentina and Guerbet Ilac Tibbi A.S. were not material at December 31, 2023. The impact of hyperinflation on monetary items does not affect the interpretation of the Group's financial statements. No specific restatement was therefore made.

g) Intangible assets

Intangible assets are recognized at their acquisition cost or at fair value in the case of a business combination. Trademarks recognized in the assets of the balance sheet relate only to acquired brands that are supported by promotional spending.

Intangible assets are amortized over their useful life. The useful life is the period during which an entity expects to use an asset, or the number of production units or similar units that the entity expects to obtain from the asset. This period is determined on a case-by-case basis according to the nature and characteristics of the items included under this heading.

In general:

- brands are not amortized but undergo an annual impairment test;
- acquired patents and technologies are amortized on a straight-line basis for periods not exceeding their duration of protection;
- computer software is amortized over three to ten years using the straight-line method.

h) Research and development costs

Costs incurred during the research phase are recognized as expenses. Costs incurred during the development phase are recognized as intangible assets only if all of the following criteria can be demonstrated:

- the technical feasibility necessary to complete the intangible asset for commissioning or sale;

- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate likely future economic benefits;
- the availability of appropriate technical, financial, and other resources to complete the development and use or sell the intangible asset; and
- the ability to reliably measure the expenditures attributable to the intangible asset during its development.

Because of the risks and uncertainties involved in regulatory authorizations, the Group considers that contrast media costs incurred before obtaining Marketing Authorization (MA) do not meet the above criteria. These internal development costs are therefore recorded as expenses in the fiscal year in which they are incurred. Furthermore, costs incurred after obtaining the MA are generally sales costs that cannot be capitalized. Under Post Marketing Requirements (PMR) in the United States, additional studies may be requested after an authorization is obtained. In that case, the costs associated with those studies meet the criteria for recognition as fixed assets (see note 5 for details).

Research tax credits are recognized as "Other operating income and expenses" on the income statement (see note 19 "Other operating income and expenses").

i) Tangible assets

Tangible assets are recorded at their historical purchase or production cost. Exceptionally, using the option available under IFRS 1 in the initial IFRS version adopted, the Villepinte plant was recognized at its fair value at January 1, 2004.

Costs that can be allocated directly and that are necessary for the start-up of investments, from engineering drafts (summary and detailed) through to costs for validation and qualification of facilities, are capitalized.

Borrowing costs are included in the value of fixed assets for strategic investment projects that extend over several months of production and that began after January 1, 2009.

Equipment subsidies received are not deducted from the value of the fixed assets but are presented at their amortized value as deferred income. Depreciation is calculated on a straight-line basis according to the useful lifespan of assets on the basis of their purchase or production cost, possibly restated, less any residual value where applicable. Depreciation periods are calculated according to useful lives that are generally established within the following limits:

- Buildings: 20 to 50 years;
- Improvements, fittings: 10 to 20 years;
- Plant, machinery, and equipment: 5 to 10 years;
- Other tangible assets: 5 to 10 years.

j) Impairment of fixed assets

Nature of tested assets

Goodwill and intangible assets with an indefinite useful life

Goodwill and intangible assets with an indefinite useful life are subject to an impairment test in accordance with the provisions of IAS 36 "Impairment of Assets" at least once each year or more frequently if there is evidence of impairment. The evidence of impairment may be related in particular to the success of successive phases of clinical development, drug safety monitoring, patent protection, the arrival of competing products and/or generics, or actual revenue generated compared with the projections.

Other fixed assets

Other fixed assets, including tangible and financial assets, are also subject to an individual impairment test whenever events or changes in circumstances indicate that book value may not be recoverable. In addition, all tangible assets as well as current assets included in the definition of working capital requirements are tested each year in the cash-generating units as an item that cannot generate cash inflows highly independent of the other groups of assets attached to said cash-generating units.

Impairment tests – methods adopted by the Group

Impairment tests involve comparing the net book value of the asset or the cash-generating unit with its recoverable value, which is the higher of either its fair value minus the cost of sale, or its value in use.

For goodwill and intangible assets with indefinite useful lives, the Group determines the recoverable value of cash-generating units or groups of cash-generating units according to their value in use, which is based on discounting of the relevant estimated future cash flows. These cash flows are based on short- and medium-term forecasts prepared by the Group's management. The estimated cash flows are discounted using the weighted average cost of capital determined for each cash-generating unit or groups of cash-generating units. For each cash-generating unit or groups of cash-generating units, an impairment loss is recorded on a separate line on the income statement for the difference. Any identified impairment loss on a cash-generating unit or groups of cash-generating units is allocated primarily to goodwill. Impairment losses recognized for goodwill are non-reversible. The key methods and assumptions used in the asset impairment tests performed for the year ended December 31, 2023, are presented for intangible assets with indefinite useful lives and goodwill in note 5.3.

k) Leases

In accordance with IFRS 16 in force since January 1, 2019, for all leases other than short-term leases (one year or less) or leases for low-value assets (value less than USD 5 K), a right of use is recognized in assets for the same amount as the future lease liability, adjusted, where applicable, for advance payments or provisioned amounts for rent payable.

On the income statement, an amortization expense for the right of use of the asset and an interest expense relating to the lease liability (financial expense) are recognized.

Rents relating to short-term or low-value leases are recognized as expenses on the income statement.

l) Financial assets

Since January 1, 2018, all new financial assets, excluding cash and derivative instruments, are classified in one of the following three accounting categories:

- amortized cost (e.g. loans and receivables);
- fair value in consideration of other comprehensive income (OCI) (there are two types of assets at fair value through OCI: debt securities, which give rise to impairment and recycling, and equities, which do not give rise to impairment or recycling);
- fair value through profit or loss.

The classification of financial assets is determined on initial recognition based on the management model of how the Group manages its financial assets to generate cash flow and create value. IFRS 9 identifies three types of business models:

- hold to collect;
- hold to collect and sell;
- other.

Financial assets are measured at each close. In accordance with IFRS 9, the recognition of impairment of financial assets is based on expected credit losses. This model applies to assets measured at amortized cost or financial assets meeting the SPPI (Solely Payments of Principal and Interest) criteria and measured at fair value through OCI, except for equities for which there is no impairment.

For establishing factoring contracts, disposals of receivables are analyzed according to the three main criteria for derecognition of financial assets according to IFRS 9:

- expiration (IFRS 9.3.2 3a) or transfer (IFRS 9.3.2 4a) of contractual rights to cash flows from the asset;
- transfer of substantially all the risks and rewards of ownership of the asset (IFRS 9.3.2 6a);
- transfer of control of the financial asset (IFRS 9.3.2 6c).

These criteria are assessed successively according to the various analysis steps of the IFRS 9 decision tree.

m) Inventories

Inventories of raw materials and other supplies are measured, like finished products and products in progress, at the standard price. At the end of the period, differences between the standard costs and the actual manufacturing costs are analyzed for possible capitalization. Inventories of products in progress and finished products are measured at cost including direct and indirect production costs, and excluding administrative, financial and sales costs (IAS 2 "Net Realizable Value"). An impairment provision is created according to inventory turnover rates, use-by dates, and any quality problems.

The sub-activity is excluded from the valuation of inventories.

n) Trade receivables

Trade receivables are assessed at nominal value. They are written down, where appropriate, according to the credit risk assessed on a case-by-case basis in accordance with IFRS 9 and on the basis of expected credit losses.

o) Assets held for sale

An asset or a group of assets and liabilities is held for sale when its accounting value will be primarily recovered through sale and not through continuous use. For this to be the case, the sale must be highly probable. For the sale to be highly probable, a sales plan for the asset (or for the group to be sold) must have been initiated by an appropriate level of management, and an active program to find a buyer and finalize the plan must have been initiated.

p) Cash and cash equivalents

This item comprises liquid assets in bank current accounts. Short-term investments and deposits that can be liquidated or sold and whose duration is less than three months are classified as cash equivalents if they are easily convertible into cash and are exposed to a limited risk of change in value. Short-term investments are reported at fair value on the income statement.

q) Provisions

Provisions correspond to liabilities meeting the following criteria:

- the amount or the maturity date is not set precisely;
- the economic impact is negative for the Group. This liability is therefore analyzed as an obligation of the Group to a third party, which will probably or certainly lead to an outflow of resources to that third party.

r) Obligations to employees

The Group participates in defined-contribution and defined-benefit plans according to the laws and customs of the countries where the Group operates. Measurement of defined-benefit pension plan obligations is in compliance with the revised IAS 19 standard. The costs of benefits are estimated using the projected unit credit method. This consists of basing the calculation on the compensation that will be paid to employees, taking into account age structure, staff turnover rate, and survival rate using official tables by age group. The amounts obtained are adjusted according to inflation and promotion scenarios and are discounted to take into account the date on which these benefits will actually be paid. When actuarial assumptions are reviewed, any resulting actuarial gains and losses are carried over into shareholders' equity. These valuations are made once a year, for all pension plans. Benefit entitlements are allocated on a straight-line basis from the date on which each year of service is counted toward vesting of the benefit entitlement, *i.e.* the date before which the employee's service affects neither the amount nor the timing of the benefits.

s) Derivatives

The Group trades in derivatives to manage and reduce its exposure to risks of fluctuation of interest rates and exchange rates. These instruments are traded with leading financial institutions.

The implementation of hedge accounting requires showing and documenting the effectiveness of the hedging relationship during its implementation and throughout its life (IFRS 9.6.4.1). The effectiveness of the hedge from an accounting perspective is verified by the hedge ratio between the hedged item and the hedging instrument. This ratio must be appropriate, *i.e.* there is no imbalance between the weights of the hedged item and the hedging instrument.

Derivatives are recognized on the balance sheet at their market value, known as fair value, on the closing date. This is determined both by financial institutions and by an independent company.

Changes in the fair value of these derivatives are recognized according to the following principles:

- for documented future cash flow hedges, changes in fair value are recognized in "Other Comprehensive Income" (OCI) for the effective portion. The ineffective portion is recognized in income;
- for documented fair value hedge instruments, and non-documented instruments, changes in fair value are recorded on the income statement.

t) Financial debt

Borrowings are initially recognized at fair value. They are then measured at their amortized cost using the effective interest rate method, which consists of reporting on the income statement, over the lifetime of the borrowings, any difference between the loan proceeds net of transaction costs and the repayment value. Borrowings are considered to be current liabilities, except if the Group has an unconditional right to defer repayment of the liability for more than 12 months after closing.

u) Revenue

In accordance with IFRS 15, revenue is recognized when a performance obligation is satisfied, *i.e.* when the customer obtains control of the good or service (IFRS 15.31 and IFRS 15.32).

v) Government grants

Investment subsidies are not recorded as a reduction in the purchasing cost of fixed assets but instead under deferred income. Their amount is recognized in other operating income at the same rate as for the depreciation of subsidized fixed assets. Innovation and employment grants received are recorded under "Other operating income" in the period in which they become definitively earned.

w) Share-based payments

Stock options: share-based payments relate to option plans granted to employees. The Group applies IFRS 2 for share options granted after November 7, 2002. The binomial model is used to measure the fair value of the options granted. The fair value of the options is recognized in staff costs extending over the time the options are unavailable, with a reverse entry under shareholders' equity.

Free shares: the Group applies IFRS 2 for employee free share plans. The fair value of the shares is recognized in staff costs extending over the duration of the vesting period, with a reverse entry under shareholders' equity.

x) Income tax

Income tax expense corresponds to the tax due for each consolidated fiscal entity, adjusted for deferred taxes. Deferred taxes are calculated on all the temporary differences between the tax base and the consolidated base of assets and liabilities, in accordance with a balance-sheet-based approach, with variable deferrals applied and based on reliable repayment scheduling. The tax rate and fiscal rules used are those set out in the tax legislation in force and applicable when the transactions in question are completed. Deferred taxes on tax losses will be recognized if they are recoverable in the near future. Deferred taxes, whether assets or liabilities, are offset against one another at the level of each fiscal entity and are carried over in their net amount to liabilities or assets. In France, Guerbet S.A., Guerbet France, Medex, and Simafex are consolidated for tax purposes in accordance with article 223-A of the French General Tax Code.

In the United States, Guerbet America, Liebel-Flarsheim Company LLC, Guerbet LLC, Guerbet Caribbean Inc. and Liebel-Flarsheim Ireland Inc. are consolidated for tax purposes.

The Group does not classify the CVAE (business value-added contribution) as income tax and presents it under "Taxes" on the income statement.

y) Earnings per share

Earnings per share are calculated by dividing net income by the average number of outstanding shares during the year. Diluted net earnings per share are calculated based on all the shares that could potentially be created and any savings, net of taxes, resulting from converting these instruments giving deferred access to the share capital. At the end of the fiscal year, the potential shares were made up entirely of stock options.

z) Cash flow

Cash flow after net borrowing costs and taxes is calculated by adding:

- net income;
- income and expenses recognized directly in shareholders' equity;
- calculated expenses (depreciation allowance and provisions, etc.), minus calculated expense reversals;
- income from the sale of fixed assets and non-current financial assets;

by subtracting:

- the portion of investment subsidies recognized on the income statement.

6.1.2.2 Major events during 2023**Marketing Authorization obtained for Elucirem™ in the European Union**

On December 11, 2023, the European Commission approved the marketing of Elucirem™ in the European Union.

Elucirem™ was approved by the FDA in the United States in September 2022. The commercial launch took place in March 2023, less than six months after the Marketing Authorization by FDA was obtained.

Refinancing of debt

In July 2023, Guerbet signed an agreement to refinance its debt backed by a new five-year variable-rate credit agreement, replacing the one expiring in March 2024. The amount of this agreement is €350 million, including an undrawn €100 million revolving credit facility.

In addition, in order to support its development and diversify its sources of financing, Guerbet announced in July 2023 the signing of agreements for the issue of €50 million in Euro PP bonds over a period of six-and-a-half years and the issue of €50 million in "*Obligations de relance*" over eight years.

Acquisition of Intrasure

On January 11, 2023, Guerbet announced that it had acquired a 39% stake in Intrasure, a specialist in medical imaging software solutions, for €8.8 million and at an issue price of €0.44 per share, representing a 34.15% premium over Intrasure's last share price.

Following this acquisition and in the context of the takeover bid that closed on June 5, 2023, Guerbet holds 56.46% of the capital and at least 56.10% of the voting rights of Intrasure. The earn-out paid to Intrasure was €4.1 million.

Intrasure has been fully consolidated in Guerbet Group's financial statements since January 11, 2023.

A purchase price allocation exercise was conducted within the valuation period provided for in IFRS 3. This work led to the recognition of an amortizable intangible asset for the technology for a gross value of €2.2 million. Residual goodwill therefore amounted to €1.3 million.

Sale of the Swedish subsidiary

The Swedish subsidiary, which had been inactive for several years, was sold in November 2023.

Development of the strategy

In line with the shift in its strategy to leverage key assets, Guerbet also announced on January 16, 2023, its intention to divest its micro-catheter activities historically housed within Accurate Medical Therapeutics. Guerbet also plans to sell the Occlugel technology acquired in 2018, comprising several lines of microspheres for embolization uses.

The impacts of this decision were reflected in the financial statements at December 31, 2022, and remain unchanged at December 31, 2023 (as the sale had not yet been completed for reasons beyond our control).

Exit from the Turkish market

In late 2022, Guerbet Group decided to terminate its activities in Türkiye because of the complexity of the market and the country's economic situation.

The liquidation of the subsidiary is in progress and is expected to be finalized in the first half of 2024.

In the consolidated financial statements at December 31, 2023, the company's assets were all maintained at their net asset value.

Governance

Following the General Meeting of May 26, 2023, and the Board meeting held on the same day, Didier Izabel was appointed Chairperson of the Guerbet Board of Directors. An Independent Director since 2014, he succeeded Marie-Claire Janailhac-Fritsch, whose term of office had expired.

On July 10, 2023, Guerbet announced two new appointments to its management team to accelerate its commercial and industrial growth: Dan Raffi and Raoul Bernhardt.

Tax audit

Guerbet underwent a tax audit for the years 2018 to 2021. All the adjustment notices have been received.

The impact of the tax audit on the consolidated financial statements at December 31, 2023, is a tax liability of €11.6 million and a provision for liabilities and charges of €2.1 million. The impact on the income statement includes -€1.3 million recognized as an income tax expense and -€1.5 million in operating income.

Assignment of receivables

Guerbet France carried out two non-recourse assignments of receivables in 2023.

The first non-recourse factoring contract was signed on June 28, 2023, with Banque Postale Leasing & Factoring for €9.9 million.

A second contract, also for €9.9 million, was signed on December 26, 2023, with the same bank and in the same format as the initial contract.

The analysis of the contracts demonstrated that the risks and benefits relating to the assigned receivables have been transferred and that, in this context, receivables are no longer recognized in the balance sheet assets at December 31, 2023, in accordance with IFRS 9.

Russo-Ukrainian conflict

Intrasense has interests in the areas affected by the crisis in Ukraine (particularly Russia and Belarus). Guerbet Group has therefore been more exposed since acquiring its stake in Intrasense, but it believes that the impact on its operations and financial performance will be very limited overall.

6.1.2.3 Scope of consolidation

All companies are fully consolidated, with ownership interests of 100% (see list of companies in note 30).

Intrasense, acquired in early 2023 and 56.46%-owned, is fully consolidated.

In 2023, all the entities had the same fiscal year duration, 12 months, and closed their fiscal year on December 31.

6.1.2.4 Notes to the consolidated financial statements



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NOTE 1 Financial assets

2023	Available-for-sale financial assets	Loans and receivables	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total Balance Sheet
Non-current tax obligations		—			—
Other non-current financial assets	11,455	12,190		882	24,527
Trade and other receivables		149,550			149,550
Other current financial assets		63,539	2,146		65,685
Cash and cash equivalents			51,279		51,279
TOTAL	11,455	225,278	53,425	882	291,040

2022	Available-for-sale financial assets	Loans and receivables	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total Balance Sheet
Non-current tax obligations		—			—
Other non-current financial assets	9,584	11,166		8,523	29,273
Trade and other receivables		121,238			121,238
Other current financial assets		63,955			63,955
Cash and cash equivalents			41,683		41,683
TOTAL	9,584	196,360	41,683		256,150

CHANGE IN IMPAIRMENT OF FINANCIAL ASSETS

	2022	Allowances	Reversals	Translation adjustments and other	2023
Trade and other receivables	4,220	394	(3,214)	(41)	2,293
Other current financial assets ^(a)	3,365	—	(8)	—	3,357
TOTAL	7,585	394	(3,222)	(41)	5,650

(a) Impairment of Truffle Capital units.

	2021	Allowances	Reversals	Translation adjustments and other	2022
Trade and other receivables	4,307	635	(837)	114	4,220
Other current financial assets ^(a)	1,822	1,543	—	—	3,365
TOTAL	6,129	2,178	(837)	114	7,585

(a) Impairment of Truffle Capital units.

1.1 Loans and debts at amortized cost

	2023			2022		
	Gross	Impairment	Net	Gross	Impairment	Net
Other non-current financial assets	12,190	—	12,190	11,918	(752)	11,166
Trade and other receivables	151,842	(2,293)	149,550	125,458	(4,220)	121,238
Other current financial assets	66,604	(919)	65,685	64,656	(701)	63,955
TOTAL	230,636	(3,212)	227,424	202,032	(5,672)	196,360

Other current financial assets at amortized cost	2023	2022
Advance payments to suppliers	4,340	3,857
State and local authorities	41,446	41,144
Trade payables		
Staff and social security	36	25
Royalties receivable		
Grants receivable		
Other current assets	8,967	10,476
Prepaid expenses	10,896	8,453
TOTAL	65,685	63,955

Trade receivables by maturity date at December 31, 2023	Gross value
Receivables not yet due	136,420
Receivables less than 3 months past due	11,109
Receivables less than 6 months past due	2,392
Receivables less than 1 year past due	(75)
Receivables less than 2 years past due	10
Receivables more than 2 years past due	(305)
TOTAL	149,549

Outstanding trade receivables at December 31, 2023, are reduced by a non-recourse assignment of receivables in December in France for €9.9 million. An analysis shows that the risks and benefits relating to the assigned receivables were transferred and that, in this context, the receivables are derecognized from balance sheet assets in accordance with IFRS 9.

Trade receivables by maturity date at December 31, 2022	Gross value
Receivables not yet due	108,867
Receivables less than 3 months past due	9,335
Receivables less than 6 months past due	1,719
Receivables less than 1 year past due	1,452
Receivables less than 2 years past due	273
Receivables more than 2 years past due	(410)
TOTAL	121,238

Outstanding trade receivables at December 31, 2022, are reduced by a non-recourse assignment of receivables in December in France for €9.9 million. An analysis shows that the risks and benefits relating to the assigned receivables were transferred and that, in this context, the receivables are derecognized from balance sheet assets in accordance with IFRS 9.

1.2 Financial assets at fair value through profit or loss

<i>(in € thousands)</i>	2023	2022
Financial assets at fair value through profit or loss except derivatives, of which	53,425	41,683
Swaps	2,146	—
Short-term investments	5,224	1,926
Cash and cash equivalents	46,055	39,757
TOTAL	53,425	41,683

NOTE 2 Financial liabilities

2.1 Details and breakdown of current and non-current financial liabilities

<i>(in € thousands)</i>	2023			2022
	Current	Non-current	Total	Total
Financial debt (note 2.2)	13,000	374,045	387,045	312,042
Suppliers	92,916		92,916	103,710
Other financial liabilities (note 2.7)	77,957		77,957	69,021
Derivatives (note 3) and other financial instruments	—	3,689	3,689	—
TOTAL	183,873	377,734	561,606	484,772

2.2 Details and breakdown of current and non-current financial debt

<i>(in € thousands)</i>	2023	2022
Non-current debt, of which	374,045	278,431
Profit Sharing reserve	4	316
IFRS 16 lease liability	13,527	13,378
Bank loans	246,641	249,907
Other borrowings ^{(a)(b)}	113,873	14,830
Current debt, of which	13,000	33,611
Profit-sharing reserve	287	187
IFRS 16 lease liability	8,930	8,328
Bank loans	190	24,597
Other borrowings	172	—
Accrued interest	3,174	248
Bank Overdrafts	247	250
TOTAL FINANCIAL DEBT	387,045	312,042

(a) In July 2023, the Group refinanced part of its debt by calling on the capital markets for the first time for €100 million, including €50 million in the form of a private placement (EuroPP) and €50 million in the form of recovery bonds.

(b) In December 2008, the request for aid for the French-German "Iseult" research project, filed with OSEO, was approved by the European Commission. Financing was obtained for the incurred expenses, including 39% in the form of repayable advances and 61% in the form of grants. An amendment to the contract was signed in June 2020 to revise the conditions for reaching the final milestones and the payment of the associated aid, but also to modify the terms on financial returns in the event that a product resulting from the project is released on the market. Given the progress of the project and the negotiation of the repayment clauses with the BPI, the Group updated the fair-value measurement of financial liabilities in accordance with IFRS 9. At December 31, 2023, financial liabilities totaled €14.6 million. It is revalued at each closing on the basis of the latest available information.

BREAKDOWN OF DEBT BEFORE HEDGING

		2022
Portion of debt at variable rate (before hedging)	64%	95%
Portion of debt at fixed rate	36%	5%

60% of the variable-rate debt has been hedged using interest rate derivatives.

RECONCILIATION OF CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES

	2022	Emission	Repayment	Bank credit facilities	Foreign exchange effect and other changes	Reclassification	2023
Non-current debt	278,431	455,944	(358,544)		(320)	(1,466)	374,045
Current debt	33,611	2,926	(25,000)	3	(6)	1,466	13,000
TOTAL	312,042	458,871	(383,544)	3	(326)	—	387,045

2.3 Details of financial debt by currency

Currency	2023			2022		
	Closing FX rate	Amount	%	Closing FX rate	Amount	%
Euro	1	374,592	96.8%	1	301,327	96.6%
Korean Won	1,434	646	0.2%	1,344	862	0.3%
Hong Kong dollar	8.63	1,176	0.3%	8.32	1,713	1.0%
US dollar	1.105	6,325	1.6%	1.07	3,195	0.5%
Chinese Renminbi	7.85	870	0.2%	7.36	1,544	0.5%
Miscellaneous		3,436	0.9%		3,401	1.1%
TOTAL FINANCIAL DEBT		387,045			312,042	

2.4 Details of financial debt by maturity

These financial debts have the following maturity dates:

(in € thousands)	2023	2022
Due within 1 year	13,000	33,611
Due in 1–5 years	268,550	277,393
Due in more than 5 years ^(a)	105,495	1,038
TOTAL	387,045	312,042

(a) Including €50 million Euro PP and €50 million Recovery bonds.

2.5 Lease liabilities

The maturities of the lease liabilities are as follows:

<i>(in € thousands)</i>	2023	2022
Due within 1 year	8,930	8,328
Due in 1–5 years	13,527	13,378
TOTAL	22,456	21,706

2.6 Change in financial debt

Net financial debt changed as follows during the period:

<i>(in € thousands)</i>	2023	2022
Cash and cash equivalents	51,279	41,683
Bank overdrafts	(247)	(250)
Net cash	51,032	41,433
Gross financial debt excluding bank overdrafts	386,798	311,791
NET FINANCIAL DEBT	(335,766)	(270,359)

Borrowings include a clause providing for a maximum value of the “Net financial debt/restated EBITDA⁽¹⁾” ratio, which varies from year to year.

At December 31, 2023, the maximum value of the leverage ratio was 4.0. The ratio was 3.27 on December 31, 2023.

2.7 Other current financial liabilities

<i>(in € thousands)</i>	2023	2022
Employee-related liabilities	61,756	49,270
Debt on fixed assets	4,421	7,466
Miscellaneous debt	11,780	12,285
TOTAL	77,957	69,021

⁽¹⁾ Restated EBITDA = Operating income + net depreciation, amortization, impairment, and provisions after restructuring costs.

NOTE 3 Management of financial risks

3.1 Currency risk

3.1.1 Currency risk exposure and hedging at December 31, 2023

Given its international footprint, the Group is exposed to currency risk on several currencies as described below.

(in millions of €)	USD	BRL	JPY	HKD	KRW	CLP	CNY
Accounting risk ^(a)	86.36	28.05	24.82	(17.84)	14.96	4.41	4.44
Positions before hedging	86.36	28.05	24.82	(17.84)	14.96	4.41	4.44
Currency risk hedging	(14.66)	(0.65)	(0.49)	20.72			
Net foreign exchange position	71.70	27.40	24.33	2.88	14.96	4.41	4.44

(a) Accounting risk includes positions in non-functional currencies held by Guerbet Group entities.

The USD exposure results mainly from the net lending balance of Guerbet's current accounts with its various subsidiaries through the cash-pooling mechanism.

The BRL exposure comes mainly from the Group's industrial entities, which invoice the Brazilian subsidiaries in local currency in accordance with the Group's policy.

The foreign exchange position in yen (JPY) is due to Guerbet's financing of its Japanese subsidiary.

Our HKD purchase exposure results from the invoicing of third-party customers in foreign currencies by Guerbet Asia Pacific, based in Hong Kong, as well as its increasing sales in CNY to our subsidiary in China.

KRW exposure comes from the trade receivables of Guerbet and Guerbet Asia Pacific to the two Korean subsidiaries.

The Group hedges part of its currency risk exposure through swaps and foreign exchange forwards. Although these instruments provide an economic hedge, they are not designated as hedges for accounting purposes. Hence, the change in value of these derivatives is recorded in financial income.

The mark-to-market value of currency derivatives was +€86 K at December 31, 2023.

3.1.2 Analysis of sensitivity of the financial result to accounting currency risk at December 31, 2023

Sensitivity is calculated on the net balance not hedged (accounting risk after deducting hedges outstanding) for the main currencies.

The table below summarizes the impact on the financial result of a 10% change in these currencies against the euro on the net book foreign exchange position at December 31, 2023:

(in € thousands)	2023	2022
USD	7,170	4,649
BRL	2,740	1,449
JPY	2,433	2,414
KRW	1,496	1,519
HKD	288	(1,511)
CNY	441	1,467
CLP	444	591

3.2 Interest rate risk

3.2.1 Interest rate risk exposure and hedging at December 31, 2023

In July 2023, Guerbet finalized the refinancing of its debt by setting up a variable-rate syndicated credit facility to replace the credit facility due to expire in March 2024. This €350 million was drawn up to €250 million in two tranches with a five-year final maturity. This was supplemented with the issue of €50 million in fixed-rate EuroPP bonds for a period of six and a half years and the issue of fixed-rate recovery bonds in the amount of €50 million over a period of eight years.

During the previous financing in March 2019, the choice was made to hedge tranche B of the syndicated credit facility for €225 million by establishing interest rate hedging instruments with a starting date deferred for two years, maturing in March 2024. When we refinanced our existing debt this year, we decided to keep these instruments and plan to put in place a new hedging strategy starting March 2024 to take over.

In November 2023, we hedged tranche B of the new syndicated credit facility (€150 million) using various instruments, half in the form of interest-rate swaps and half in the form of collars (purchase of caps and sale of floors).

The mark-to-market value at December 31, 2023, of the derivatives traded in March 2019 was +€2.1 million and recognized in the financial result following repayment of the underlying debt.

The mark-to-market value at December 31, 2023, of derivatives traded in November 2023 and backed by the new debt was -€2.8 million. These hedging instruments qualify for cash flow hedge accounting and had an effectiveness test of 100% at the closing date. Their market value therefore had no impact on the company's financial result.

The share of the Group's financial liabilities at variable rates before hedging is 64%.

Below is the breakdown of debt due within one year and in more than one year.

	Within 1 year ^(a)	More than 1 year	Total
Fixed-rate financial liabilities	(11,786)	(126,649)	(138,435)
Variable-rate financial liabilities	(247)	(248,363)	(248,610)
Fixed-rate financial assets	—	—	—
Variable-rate financial assets	51,279	—	51,279
Net position before management ^(b)			
• fixed rate	(11,786)	(126,649)	(138,435)
• variable rate	51,032	(248,363)	(197,331)
Off-balance sheet ^(c)		(150,000)	(150,000)
Net position after management			
• fixed rate	(11,786)	(276,649)	(288,435)
• variable rate	51,032	(98,363)	(47,331)

(a) All maturities of variable-rate financial assets and liabilities and maturities in less than one year of fixed-rate financial assets and liabilities.

(b) Sum of differences (assets – liabilities) at fixed rates and (assets – liabilities) at variable rates.

(c) Only new hedging transactions have been taken into account in the breakdown table in line with the Group's new debt.

3.2.2 Analysis of sensitivity of the financial result to interest rate risk at December 31, 2023

More than 96% of the Group's debt is in euros. The sensitivity calculated in this note therefore relates only to debt in euros.

Sensitivity is calculated on the balance of gross unhedged euro-denominated debt, which represents 25.4%.

An increase or decrease of 100 basis points in the Euribor would result in a change in the cost of debt of plus or minus €1 million year on year.

3.3 Liquidity risk

In anticipation of the expiry in March 2024 of its existing credit facility, Guerbet finalized the refinancing of its debt by setting up a €350 million syndicated revolving credit facility, including a €100 million confirmed credit line with a five-year term and two successive one-year extension options (subject to the banks' agreement). At December 31, 2023, this confirmed line was fully available.

In addition, Guerbet issued €50 million in EuroPP bonds for a period of six and a half years and €50 million in recovery bonds for a period of eight years, enabling the Group to diversify its sources of financing, stagger its maturity dates of its debt, and increase its average maturity.

At the end of the year, the Group also had €51.3 million in available cash.

NOTE 4 Additional information (formerly segment information)

Readers should note that all of the Group's business is carried out in a single area of activity, which is the research, development, production, and sale of contrast media for medical imaging. As a result, the Group does not present operating segment information within the meaning of IFRS 8.

However, to provide a detailed analysis of its activity, the Group presents in this paragraph a breakdown of its activity by geographic region. This information corresponds to the internal reporting statements used by Management to run the Group. Additional information is provided on revenue by product range.

4.1 Geographical information

The geographic information is presented below based on a risk and profitability analysis in two subsets, corresponding to the Group's internal organization and Guerbet's various growth models in these markets:

- main European markets where Guerbet Group has been able to build sustainable customer relationships and has a strong position because of its own networks of pharmaceutical sales representatives;
- other markets.

Europe includes the European countries where the Group operates and is present through its own networks of pharmaceutical sales representatives, namely: Austria, Belgium, France, Germany, Israel, Italy, the Netherlands, Portugal, Spain, Switzerland, and the United Kingdom.

The non-allocated portion of operating income corresponds to head office administrative costs, research, and development costs, and indirect industrial costs not attributable to the products, components that can only be allocated to the various sectors on an arbitrary basis.

2023	European companies in their markets	Other	Non-allocated	Total
Revenue				
European markets	312,005	—		312,005
Other markets	41,027	432,658		473,686
Total turnover	353,032	432,658	—	785,690
Amortization, depreciation, and impairment			(61,145)	(61,145)
Other expenses without cash equivalents			1,037	1,037
Operating result				38,671
NET INCOME				22,171
Sector assets	855,673	164,349	—	1,020,022
<i>of which fixed assets</i>	301,797	89,247	—	391,044
Sector liabilities other than financial debt and equity	138,564	116,138	—	254,703
Shareholders' equity			378,272	378,272
Financial debt	—	—	387,045	387,045
Sector investments				
<i>intangible</i>	12,489	—	—	12,489
<i>tangible</i>	27,438	14,117	—	41,555

2022	European companies in their markets	Other	Non-allocated	Total
Revenue				
European markets	301,396	—	—	301,396
Other markets	27,543	424,336	—	451,879
Total revenue	328,940	424,336	—	753,275
Depreciation & amortization			(119,625)	(119,625)
Other expenses without cash equivalents			(1,587)	(1,587)
Operating result				38,685
NET INCOME				(41,116)
Sector assets	796,841	142,802	—	939,643
<i>of which fixed assets</i>	296,299	87,745	—	384,044
Sector liabilities other than financial debt and equity	152,753	95,279	—	248,032
Shareholders' equity			379,570	379,570
Financial debt	—	—	312,042	312,042
Sector investments				
<i>intangible</i>	6,612	76	—	6,688
<i>tangible</i>	32,053	11,782	—	43,855

4.2 Breakdown of revenue by product range

Guerbet Group's revenue breaks down by product range as follows:

	2023	2022
X-ray	55.4%	55.1%
MRI	32.7%	32.9%
TOTAL DIAGNOSTIC IMAGING	88.1%	88.0%
INTERVENTIONAL IMAGING	11.9%	12.0%

NOTE 5 Intangible assets

5.1 Gross values

	December 31, 2022	Increase	Decrease	Change in scope ^(a)	Translation adjustments and other	December 31, 2023
Trademarks	10,140	—	—	—	(87)	10,053
Patents and technologies	29,041	1,135	—	11,890	(556)	41,510
Marketing Authorizations (MA)	10,526	—	—	—	(1,053)	9,473
Sales relationships	5,341	—	—	—	(133)	5,208
Goodwill	27,497	—	—	1,276	—	28,773
Software	102,678	—	(2,414)	177	5,470	105,911
Intangible assets in progress ^(b)	32,321	11,354	—	650	(5,178)	39,147
GROSS VALUES	217,544	12,489	(2,414)	13,993	(1,536)	240,075

(a) Assets of Intrasure, a company acquired in January 2023.

(b) The increases in intangible assets (+€12.5 million) include €8.7 million in IT investments (mainly SAP) and €1.8 million in capitalized R&D project costs.

	December 31, 2021	Increase	Decrease	Change in scope of consolidation	Translation adjustments and other	December 31, 2022
Trademarks	9,995	—	—	—	146	10,140
Patents and technologies	90,133	—	—	—	(61,092)	29,041
Marketing authorizations (MA)	11,355	—	—	—	(829)	10,526
Sales relationships	5,118	—	—	—	223	5,341
Goodwill	39,820	—	—	—	(12,323)	27,497
Software	97,466	422	(3,372)	—	8,162	102,678
Intangible assets in progress ^(a)	36,165	6,266	—	—	(10,110)	32,321
GROSS VALUES	290,050	6,688	(3,372)	—	(75,823)	217,544

(a) Increases in intangible assets (+€11.4 million) mainly include IT investments (+€6.1 million) and R&D costs (+€3 million for the Care Advisor for the Prostate project and +€0.4 million for the Liver Care Advisor project as part of the partnership with IBM Watson; +€0.7 million for additional studies requested by the FDA – see note 5.3 below).

5.2 Amortization, depreciation, and impairment by fixed asset category

	December 31, 2022	Allowances	Reversals	Change in scope ^(a)	Translation adjustments and other	December 31, 2023
Patents and technologies	22,645	3,138	—	8,113	(427)	33,469
Marketing Authorizations (MA)	3,836	1,727	—	—	(433)	5,130
Sales relationships	3,650	3,181	—	—	(93)	6,738
Goodwill	—	—	—	—	—	—
Software	69,091	10,218	(2,121)	171	(132)	77,226
Intangible assets in progress ^(a)	20,397	—	—	—	—	20,397
TOTAL	119,619	18,264	(2,121)	8,284	(1,085)	142,960

(a) Pertains to the assets of Intrasure, acquired in January 2023.

	December 31, 2021	Allowances	Reversals	Change in scope of consolidation	Translation adjustments and other movements	December 31, 2022
Patents and technologies	33,976	27,899	—	—	(39,231)	22,645
Marketing Authorizations (MA)	3,422	677	—	—	(263)	3,836
Sales relationships	3,016	540	—	—	95	3,650
Goodwill	—	12,323	—	—	(12,323)	—
Software	61,018	11,170	(3,365)	—	268	69,091
Intangible assets in progress ^(a)	—	23,897	—	—	(3,500)	20,397
TOTAL	101,432	76,507	(3,365)	—	(54,955)	119,619

(a) The allocations for the 2022 fiscal year correspond mainly to the €58.8 million impairment of the assets of Accurate Medical Therapeutics, IBM Watson and Occlugel, explained by the strategic refocusing and the termination of the partnership with Merative (formerly IBM Watson).

5.3 Additional information on main intangible assets

Estimates of recoverable values of cash-generating units including goodwill or intangible assets with indefinite useful lives

In accordance with the approach adopted, four cash-generating units were defined, corresponding to geographic regions (EMEA, LATAM, APAC, and NAM), according to the architecture adopted by the Group's management for analysis of its performance and for medium-term planning of its activity.

The book value of each cash-generating unit was determined according to specific allocation scales, particularly on the basis of the geographical destination of the plants' manufacturing output. In accordance with IAS 36, goodwill is not allocated to any cash-generating unit (as it does not generate cash flows that are sufficiently independent of other Group assets). It is tested through a "consolidated" business plan.

Net book value at December 31, 2023 (in millions of €)	Global	EMEA	NAM	APAC	LATAM
Goodwill	28.8	—	—	—	—
Intangible assets with an indefinite useful life	—	—	—	—	—
Productive assets (manufacturing)	249.4	95.4	59.7	65.8	28.5
Other support assets	473.3	245.4	146.5	63.2	18.2
TOTAL	751.5	340.8	206.2	129.0	46.8
Growth rate to infinity	3.0%	2.3%	2.2%	4.1%	3.4%
Discount rate	11.1%	10.4%	9.6%	12.0%	13.7%

The discount rate used for each cash-generating unit is determined according to a risk premium specific to the geographic region in question. Weighting results in a global discount rate of 11.1% (compared with 9.9% in the tests conducted as of December 31, 2022).

At December 31, 2023, the value tests were based on discounted cash flows determined on the basis of the best estimates known at December 31, 2023. In particular, they come from the Medium-Term Plan determined by the Group's

management over a five-year horizon. A final additional year of testing (2029 normative) was extrapolated by considering a normative level of activity for each region. The main assumptions are presented below:

Change in revenue	Global	EMEA	NAM	APAC	LATAM
2024		6.1%	64.4%	-7.3%	25.2%
2025	5.6%	3.4%	5.1%	8.4%	8.7%
2026	8.1%	7.8%	8.4%	8.8%	7.0%
2027	4.5%	-2.6%	9.3%	10.2%	6.7%
2028	6.0%	2.4%	6.6%	9.7%	7.2%

For each of these cash-generating units, the present value exceeds the net book value. Accordingly, no impairment is considered as a result of these tests at December 31, 2023.

In terms of sensitivity, an increase of one percentage point in the discount rate, a 10% decrease in the growth rate to infinity, or even a 10% downturn would result in:

- for the LATAM region, recognition of an impairment loss, the estimated amount of which remains immaterial;
- for the EMEA, APAC, and NAM regions, no impairment loss recognized.

Capitalization of preclinical and clinical studies required by the US Food and Drug Administration

In December 2017, Guerbet LLC received a request from the FDA (Food and Drug Administration) to conduct two preclinical studies and a clinical study for Dotarem®, marketed in the United States, for which approval was obtained in 2013.

In November 2022, Guerbet LLC received a second request from the FDA referencing the MA obtained for Elucirem™ in September 2022. As was the case for Dotarem®, the FDA asked Guerbet to conduct two preclinical studies and a clinical study.

These studies are part of the Post Marketing Requirements (PMR) governed by section 505(o) of the FDCA (Federal Food, Drug, and Cosmetic Act). They are mandatory, but the result does not call into question the sale of the products in the US market. According to the FDA, "the results from completed studies provide additional information that can lead to safety labeling changes, support expanded use of a drug, or alleviate concerns about a potential drug risk."

Under the Group rules and after analysis of IAS 38, the costs related to preclinical and clinical studies occurring after an authorization is obtained, meet the criteria for recognition as capital assets.

At December 31, 2023, €2.2 million was capitalized for preclinical studies and €3.9 million for the clinical study for the PMR for Dotarem® and Elucirem™.

NOTE 6 Tangible assets

6.1 Analysis of items by category

(in € thousands)	December 31, 2022	Increase	Decrease	Changes in scope	Translation adjustments and other	December 31, 2023
Land	16,609	—	—	—	(144)	16,465
of which IFRS 16 finance leases						
Buildings	227,013	6,107	(3,621)	997	6,632	237,128
of which IFRS 16 finance leases	27,794	5,950	(2,679)	997	(472)	31,590
Plant, machinery, and equipment	418,432	557	(1,127)	—	23,555	441,417
of which IFRS 16 finance leases	1,231	472	(514)	—	(3)	1,186
Other tangible assets	98,265	8,124	(9,738)	515	5,695	102,861
of which IFRS 16 finance leases	12,677	5,065	(3,102)	84	(122)	14,602
Fixed assets under construction	54,844	38,255	—	—	(39,487)	53,613
Gross values	815,163	53,043	(14,486)	1,512	(3,748)	851,484
Depreciation & amortization	(528,611)	(42,881)	13,457	(819)	1,754	(557,101)
Impairment	(434)	—	—	—	(21)	(455)
NET VALUES	286,119	10,162	(1,029)	693	(2,016)	293,929

(in € thousands)	December 31, 2021	Increase	Decrease	Change in scope of consolidation	Translation adjustments and other	December 31, 2022
Land	16,280	—	(102)		431	16,609
of which IFRS 16 finance leases						—
Buildings	216,781	8,263	(7,933)		9,901	227,013
of which IFRS 16 finance leases	35,937	8,192	(3,819)		651	40,962
Plant, machinery, and equipment	403,699	280	(11,448)		25,901	418,432
of which IFRS 16 finance leases	1,226	247	(249)		7	1,231
Other tangible assets	90,818	7,336	(5,303)	—	5,413	98,265
of which IFRS 16 finance leases	10,266	4,168	(1,829)	—	72	12,677
Fixed assets under construction	47,875	40,463	—		(33,494)	54,844
Gross values	775,453	56,343	(24,785)	—	8,152	815,163
Depreciation & amortization	(501,039)	(43,097)	21,386	—	(5,860)	(528,611)
Impairments	(369)	(21)	—	—	(44)	(434)
NET VALUES	274,046	13,225	(3,400)	—	2,248	286,119

6.2 Breakdown of net tangible assets by currency area

Currency	2023		2022	
	Closing price	Amount	Closing price	Amount
Euro		222,184		221,517
USD	1.11	54,515	1.13	47,646
Real	—	8,337	6.31	6,972
Other currencies	N/A	8,893	N/A	9,984
TOTAL		293,929		286,119

6.3 Revaluations

The Villepinte office complex was adjusted to its fair value at January 1, 2004, by an independent appraiser. The value of the buildings was estimated at €11.3 million. Considering the net book value of these buildings at January 1, 2004, namely €3.3 million, the revaluation concerned €8 million, of which €6.5 million for buildings and €1.5 million for land.

A second valuation was conducted in 2008. The value of the buildings was estimated at €12.6 million, which confirmed that there was no impairment loss.

NOTE 7 Non-current financial assets

(in € thousands)	2023			2022
	Gross	Provisions	Net	Net
Guarantees and deposits	1,397	—	1,397	1,687
PIDR Germany reinsurance assets (see note 12.2)	7,386	—	7,386	7,367
Loans	2,878	—	2,878	2,238
Other non-current financial assets*	16,223	(3,357)	12,866	17,981
TOTAL	27,884	(3,357)	24,527	29,273

* Other non-current financial assets include:

- the investment in the Truffle Capital innovation fund for €14.6 million in gross value and €3.4 million in impairment;
- the fair value of the interest-rate hedge (swaps and collars) for €0.9 million;
- a portfolio of 63,222 Guerbet shares for a gross value of €1 million: one part intended for the allocation of free shares and the other part relating to the liquidity contract set up with Exane BNP Paribas in March 2022. The aim of this contract is to promote the liquidity of transactions and regular trading in the shares and to avoid price differences that are not justified by market trends. At the start of the trading, Guerbet allocated €600 K in cash for implementation of the contract. At December 31, 2023, 13,219 shares were included in the liquidity account.

NOTE 8 Deferred tax assets and liabilities

(in € thousands)	2022	Changes in income	Changes in shareholders' equity	Translation adjustments and other	Reclassifications	Removal from scope	2023
Deferred tax assets	16,653				5,220		28,038
Deferred tax liabilities	(9,872)				(5,220)		(9,448)
TOTAL	6,781	7,504	4,956	(75)	—	(575)	18,591
of which deferred taxes resulting from:							
Use of tax losses ^(a)	10,470	334	—	(201)	—	—	10,604
Temporary timing differences	4,266	161	891	(127)	—	—	5,191
Restatement of special tax-allowance reserves	(18,035)	443	—	(42)	—	—	(17,634)
Tangible assets	(6,018)	(607)	—	330	—	—	(6,295)
Intangible assets	(3,724)	475	—	586	—	(575)	(3,238)
Restatement of margins on inventories	13,744	9,223	—	(464)	—	—	22,504
Restatement of provisions on subsidiary risk	797	364	—	(3)	—	—	1,158
IFRS 16 finance leases	(10)	25	—	—	—	—	15
Restatement of injectors	—	—	—	—	—	—	—
Restatement of financial instruments	(2,567)	(1,706)	2,889	(11)	—	—	(1,395)
Provisions for retirement	6,088	(1,108)	1,163	28	—	—	6,171
Other	1,770	(101)	13	(171)	—	—	1,511

(a) Use of tax losses:

- **USA:** The favorable outlook for the US tax group led to the use in 2021 of existing unused tax losses (\$47 million) for a deferred tax asset of €8 million, for which a net deferred tax amount of €5 million was used for the 2022 taxable income. In 2023, an additional tax loss of €2.0 million was recognized for previous corrections. It was offset by the use of €2 million in deficits during the fiscal year.
- **Accurate Medical Therapeutics:** The entity's tax positions were frozen in 2023 because of the sale in progress. At the end of 2022, the total balance of the entity's loss carryforwards was €6 million. This asset is offset by a deferred tax liability of the same amount.

Tax losses carried forward and tax effects (in € thousands)	December 31, 2023	
	Tax losses used (base)	Tax losses used (tax)
USA	15,609	3,555
Accurate Medical Therapeutics	25,387	5,924
Medex	971	251
Other	2,808	874
TOTAL	44,775	10,604

(in € thousands)	2021	Changes in income	Changes in shareholders' equity	Translation adjustments and other	Reclassifications	Removal from scope	2022
Deferred tax assets	19,419						16,653
Deferred tax liabilities	(15,246)						9,872
TOTAL	4,173	7,621	(5,325)	312		—	6,781
of which deferred taxes resulting from:							
Use of tax losses ^(a)	13,968	(4,366)	—	869	—	—	10,470
Temporary timing differences	5,689	(1,596)	103	—	—	—	4,266
Restatement of special tax-allowance reserves	(18,789)	768	—	(14)	—	—	(18,035)
Revaluation of tangible assets	(6,387)	645	—	(276)	—	—	(6,018)
Difference in valuation of intangible assets	(18,218)	15,276	—	(782)	—	—	(3,724)
Restatement of margins on inventories	16,178	(2,882)	—	456	—	—	13,744
Restatement of provisions on subsidiary risk	306	483	—	8	—	—	797
IFRS 16 finance leases	10	(20)	—	—	—	—	(10)
Restatement of injectors	—	—	—	—	—	—	—
Restatement of financial instruments	515	(713)	(2,359)	(10)	—	—	(2,567)
Provisions for retirement	9,196	(39)	(3,069)	—	—	—	6,088
Other	1,706	66	—	(142)	—	—	1,770

(a) Use of tax losses:

- **USA:** The favorable outlook for the US tax group led to the use in 2021 of existing unused tax losses (\$47 million) for a deferred tax asset of €8 million. A net deferred tax of €5 million was used for the 2022 taxable income.
- **France:** The €1.6 million tax loss carry-forward remaining at December 31, 2021, for which a deferred tax asset of €0.4 million was recognized, was used during the 2022 fiscal year.
- **Accurate Medical Therapeutics:** A deferred tax asset of €1.6 million was recognized for the 2022 tax loss, bringing the total balance of deferred tax assets on the entity's tax losses carried forward to €6 million. This asset is offset by a deferred tax liability.

Tax losses carried forward and tax effects (in € thousands)	December 31, 2022	
	Tax losses used (base)	Tax losses used (tax)
USA	15,736	3,589
France	1,541	398
Accurate Medical Therapeutics	26,119	6,007
Medex	2,149	555
Guerbet Produtos Radiologicos (Brazil)	850	289
Other	1,054	319
TOTAL	45,058	10,470

NOTE 9 Inventories

(in € thousands)	2023	2022
Raw materials and spare parts	94,844	81,198
Finished, intermediate and in-progress products and goods	234,188	215,473
Gross value	329,032	296,671
Provisions	(23,854)	(24,174)
NET VALUE	305,178	272,496

Gross inventories increased overall because of two main factors: higher prices for our materials, especially iodine, and an increase in our materials in anticipation of the production plan for the first half of 2024, which will be very busy because of the change of business model in France (multi-use). At the same time, impairments between 2022 and 2023 decreased as a result of the inventory clearance policy stepped up at the end of 2023.

NOTE 10 Trade receivables

<i>(in € thousands)</i>	2023	2022
Gross value	151,842	125,458
Provisions	(2,293)	(4,220)
NET VALUE	149,550	121,238

NOTE 11 Shareholders' equity

11.1 Change in the number of shares in the parent company

At December 31, 2023, the parent company's capital consisted of 12,641,115 shares with a par value of €1.

The changes affecting Guerbet shares are as follows:

	2023
Number of shares at the beginning of the year	12,641,115
Creation of shares through exercise of stock options	—
ENDING NUMBER OF SHARES	12,641,115

11.2 Details of shareholders' equity

	2023	2022
Share capital	12,641	12,641
Premiums for issue, merger, and conversion of convertible bonds	11,774	11,774
Statutory reserves	1,264	1,264
Consolidated reserves	353,208	323,518
Retained earnings	24,088	107,807
Consolidated income	23,865	(41,116)
Translation adjustments	(48,509)	(36,318)
TOTAL	378,332	379,570

NOTE 12 Provisions

12.1 Changes

	2022	Changes in scope	Allowance	Reversals (provision used)	Reversals (provision not used)	Translation adjustments and reclassifications	Changes in actuarial assumptions	2023
Non-current	32,150	22	1,766	(2,564)	(43)	(2,200)	1,430	30,562
Of which deferred staff benefits (note 12.2)	27,437	22	1,443	(2,100)	(43)	111	1,430	28,301
Current								
Tax disputes ^(a)	7,618	—	939	(4,499)	(569)	63	—	3,552
Commercial disputes	1,724	241	265	(690)	(304)	—	—	1,236
Staff-related provisions	693	—	234	(454)	(104)	(1)	—	369
Miscellaneous obligations ^(b)	3,876	—	6,189	(579)	(544)	1,671	—	10,613
Total Current provisions	13,912	241	7,626	(6,222)	(1,521)	1,734	—	15,770
TOTAL PROVISIONS	46,062	263	9,393	(8,786)	(1,564)	(466)	1,430	46,332

(a) Includes a €4.2 million provision for Guerbet's tax audit.

(b) Includes a €4.8 million provision for restructuring at Guerbet.

	2021	Allowance	Reversals (provision used)	Reversals (provision not used)	Translation adjustments and reclassifications	Changes in actuarial assumptions	2022
Non-current	41,988	2,806	(1,534)	(1,842)	(2,016)	(11,286)	32,150
Of which deferred staff benefits (note 12.2)	37,700	2,769	(1,534)	(54)	(157)	(11,286)	27,437
Current							
Tax disputes ^(a)	706	6,600	(186)	—	498	—	7,618
Commercial disputes	3,504	184	(1,719)	(358)	113	—	1,724
Staff-related provisions	1,187	283	(216)	(560)	(1)	—	693
Miscellaneous obligations	4,376	2,040	—	(719)	(1,822)	—	3,876
Total Current provisions	9,774	9,107	(2,121)	(1,637)	(1,211)	—	13,912
TOTAL PROVISIONS	51,762	11,915	(3,655)	(3,473)	805	(11,286)	46,062

(a) Includes a €6 million provision for Guerbet's tax audit.

12.2 Deferred staff benefits

a) Description

Group employees have post-employment benefits in the form of:

- retirement benefits or end-of-career benefits (France, Italy, Austria, Korea, Japan, Türkiye, and Ireland);
- supplemental defined-benefit retirement plans (Germany) or early retirement benefits for persons aged 58 to 60 (Belgium).

Provisions have been made for these commitments.

b) Measurement and recognition

The Group has no plan covering the medical expenses of its former employees.

Commitments for supplemental retirement benefits to be paid to German workers are covered by financial assets corresponding to funds invested with third parties (the plan's assets). All of these investments are made with insurance companies, deemed to be risk-free. These assets are assessed each year, frequently enough so that the amounts recognized do not differ significantly from the assets and liabilities at close. They are valued at €7.4 million at December 31, 2023, including €0.9 million in hedging assets (excluding reinsurance assets). Premiums paid for defined-contribution retirement plans are spread over the year.

The Group's obligations are calculated using the assumptions in effect in the countries in question.

Actuarial gains and losses are recognized directly in shareholders' equity, as authorized by revised IAS 19.

c) Actuarial assumptions applied for France and Germany representing 98% of provisions and 100% of the plan's assets

	France		Germany	
	2023	2022	2023	2022
Discount rate (C)	3.50%	4.00%	3.60%	4.10%
Average expected return on plan assets	N/A	N/A	N/A	N/A
Wage growth	2.90%	2.80%	2.30%	2.30%
Average revision rate applied to annuities	N/A	N/A	2.00%	2.00%
Mortality assumptions	T	T	T	T
Staff turnover rate	S	S	S	S
Retirement age	E	E	65	65
Social security charge rate	V	V	V	V

C = Mercer Yield curve (MYC).

E = Estimated retirement age based on an average start-of-career age by category of employees, and annuities required by regulations.

S = Rate tables established from statistics and according to analysis factors such as the employee's status and age, according to their relevance.

T = The tables used are adjusted tables TH 00-02 and TF 00-02 for mainland France and Dr. Klaus Heubeck's table (RT 2018 G) for Germany.

V = Variable according to the social security charge rate of the entity concerned.

The following information is not provided in detail (N/A):

- average expected returns on plan assets for French companies since French plans do not have assets;
- average revision rates for annuities since French plans correspond to retirement benefits and not annuities;
- average rate of growth in medical expenses since none of the plans cover medical expenses.

Balance sheet liabilities	2023	2022
Present value of funded liabilities	29,237	28,382
Fair value of plan assets	(936)	(945)
Balance of liabilities	28,301	27,437
Amounts recognized on balance sheet	—	—
Provisions for deferred staff benefits	28,301	27,437
Non-current financial assets (book assets)	—	—
NET BALANCE SHEET: NET LIABILITIES (ASSETS)	28,301	27,437

Expenses on the income statement	2023	2022
Cost of services for the year	1,796	2,634
Finance costs	1,023	419
Other impacts	(1,149)	35
NET PLAN COSTS	1,671	3,088

Change in liabilities over the year	2023	2022
Beginning liabilities	27,437	37,700
Cost of services for the year	1,796	2,634
Finance costs	1,023	419
Other impacts including actuarial gains and losses	(1,164)	35
Employer payments to funding assets	(47)	(25)
Benefits paid	(2,393)	(1,842)
Actuarial gains and losses	1,534	(11,286)
Impact of change in method	—	—
Translation adjustments	—	(24)
Other	(115)	(174)
ENDING LIABILITIES	28,301	27,437

d) Sensitivity analysis of actuarial assumptions

An increase of 25 basis points in the discount rate would have an impact on the discounted value of liabilities of -€808 K (-2.86%). A decrease of 25 basis points would increase liabilities by +€847 K (+2.99%).

12.3 Contingent liabilities

In the absence of sufficient evidence of having reached the thresholds for triggering the payment of a potential additional bonus of €10.5 million after 2030 as provided for in the amendment to the OSEO contract, this bonus is considered a contingent liability under IAS 37.

NOTE 13 Trade payables

	2023	2022
Trade payables	92,916	103,709
TOTAL	92,916	103,709

NOTE 14 Other operating revenue

	2023	2022
Sales of services	3,056	8,222
Operating subsidy	559	658
TOTAL	3,615	8,879

NOTE 15 Staff costs

15.1 Details of staff costs

	2023	2022
Salaries and wages	(203,266)	(185,476)
Social security charges	(59,444)	(54,733)
Employee profit sharing	(915)	(455)
Total	(263,625)	(240,664)

15.2 Main characteristics and parameters for valuing the share-based payment benefit granted by the Group – Stock option plan

In 2011 and 2012, the Group established stock option plans. All the plans expired on December 31, 2021. During the 2023 fiscal year, no options were exercised.

15.3 Free share allocation plan

On March 21, 2021, the Board of Directors approved a fourth free share allocation plan for certain employees and executives of Guerbet and its French and foreign subsidiaries.

On September 21, 2022, the Board of Directors approved a new free share allocation plan (Plan 5). On May 9, 2023, a new free share plan was introduced.

The main assumptions applied for the free share plans in effect at December 31, 2023, are as follows:

	Plan 4	Plan 5	Plan 6
Grant date	May 01, 2021	September 22, 2022	July 01, 2023
Acquisition date	May 01, 2024	September 22, 2025	July 01, 2026
Vesting period	3 years	3 years	3 years
Price on grant date	33.70	17.50	17.00
Anticipated dividend rate	1.3%	2%	2.3%
Risk-free rate	(0.59%)	1.5%	2.8%
Volatility	37%	37%	35.7%
Employee turnover rate	2.06%	2.06%	2.06%
Probability of fulfilling the performance conditions	Based on Monte Carlo model	Based on Monte Carlo model	Based on Monte Carlo model

There are 11,888 free shares still to be allocated under Plan 4. Regarding Plan 5, 84,205 shares were allocated. A new plan has been in force since July 1, 2023. In accordance with the regulations of Plan 6, performance shares can be allocated until June 30, 2024. The details at December 31, 2023, are as follows:

Plan type	Number of instruments initially granted	Number of vested instruments	Grant date	End of vesting period (subject to presence)	Vesting period in years	Commitment by plan
AGAP (plan 4)	48,060		2021	2024	3	€258 K
Number of active shares at 12/31/2023	11,888					
AGAP (plan 5)	98,409		2022	2025	3	€1,257 K
Number of active shares at 12/31/2023	84,205					
AGAP (plan 6)	92,896		2023	2026	3	€1,223 K
Number of active shares at 12/31/2023	88,234					

The total commitment since the first share allocation plan (dated September 28, 2016) was valued using the Monte Carlo model with the Black & Scholes formula.

Pursuant to these plans, an expense of €212 K was recognized, offset against shareholders' equity.

15.4 Average number of staff during the year

	2023	2022
Europe	1,745	1,718
America	912	827
Asia	247	254
TOTAL	2,904	2,799

15.5 Geographic breakdown of workforce, snapshot at December 31

	2023	2022
Europe	1,741	1,723
America	935	863
Asia	244	253
TOTAL	2,920	2,839

NOTE 16 External charges

	2023	2022
Industrial subcontracting	(22,303)	(20,203)
Non-stocked materials and supplies ^(a)	(24,629)	(28,972)
Rentals and rental expenses	(12,066)	(10,935)
Maintenance and repairs	(26,484)	(23,463)
Insurance	(5,587)	(6,004)
Studies and research	(13,589)	(9,953)
Outside staff	(6,804)	(5,772)
Commissions and fees	(48,850)	(46,918)
Advertising and public relations	(8,001)	(8,208)
Transport	(17,229)	(24,155)
Travel and entertainment	(10,090)	(8,704)
Postage and telecommunications fees	(2,128)	(2,148)
Conferences and seminars	(10,468)	(10,560)
Registration fees	(8,834)	(9,208)
Other miscellaneous charges	(16,744)	(17,381)
TOTAL	(233,806)	(232,585)

^(a) There was a downward impact on the expenses by a €7 million saving corresponding to an ARENH "premium" obtained under an own-use power purchase agreement. This premium is the result of a particularly favorable arbitrage option between the forward price and the ARENH price for 2023, which is considered a standard feature of the agreements and not an embedded derivative.

NOTE 17 Taxes and duties

	2023	2022
Payroll tax	(2,083)	(1,822)
Regional Economic Contribution (France: <i>contribution économique territoriale</i>)	(1,930)	(2,449)
Other taxes and duties	(11,428)	(10,720)
TOTAL	(15,441)	(14,992)

NOTE 18 Amortization, depreciation, impairment, and provisions

Amortization/depreciation	2023	2022
On intangible assets	(18,264)	(17,699)
On tangible assets	(42,881)	(43,118)
TOTAL	(61,145)	(60,817)

Impairment	2023	2022
On goodwill	—	(12,323)
On intangible assets	—	(46,485)
TOTAL	—	(58,808)

The impairment losses relate to the Accurate Medical Therapeutics, IBM Watson, and Occlugel assets (see note 5.2).

Provisions	2023	2022
Liabilities and charges	(2,641)	799
Customers	2,820	(174)
Inventories	159	(1,032)
Pensions	699	(1,181)
TOTAL	1,037	(1,587)

NOTE 19 Other operating income and expenses

	2023	2022
Royalties paid	(2,431)	(1,767)
Research tax credit	3,748	4,712
Income from sale of fixed assets	(496)	(2,273)
Miscellaneous other income and expenses ^(a)	(5,679)	889
TOTAL	(4,858)	1,561

(a) Including €2 million in bad debt losses and a €1.6 million impact of tax audits.

NOTE 20 Gross finance costs

	2023	2022
Interest charges on lease liabilities	(476)	(230)
Interest on borrowings and bank credit facilities	(10,158)	(4,343)
Interest rate swaps	1,920	1,334
TOTAL	(8,714)	(3,239)

NOTE 21 Income tax

21.1 Details of tax expenses

	2023	2022
Current taxes	(16,143)	(20,365)
Deferred taxes	7,506	7,621
TOTAL	(8,637)	(12,744)

21.2 Analysis of tax expenses

	2023	2022
Pre-tax result	30,808	(28,372)
Theoretical tax charge at the prevailing rate for the consolidating company ^(a)	(7,958)	7,328
Impact of differences in tax rates	2,015	(15)
Impact of permanently non-deductible or non-taxable expenses	1,642	(6,046)
Impact of tax credits	1,378	926
Impact of deferred taxes on deficits and other items ^{(b)(c)}	(5,715)	(14,937)
TOTAL	(8,637)	(12,744)
EFFECTIVE TAX RATE (%)	28.04%	(44.92%)
(a) Tax rate	25.83%	25.83%

(b) 2023: Including a €2.5 million provision for tax audits relating to the French tax consolidation group.

(c) 2022: This amount includes provisions for tax adjustments relating to French tax consolidation for €8.9 million, impairment of deferred tax assets (loss carry-forward) for €4.3 million, and deferred taxes not recognized on losses for €2.2 million.

NOTE 22 Research and development costs

The amounts below are booked as expenses:

	2023	2022
Direct costs	73,005	60,603
Indirect costs	8,223	9,379
OVERALL RESEARCH AND DEVELOPMENT EXPENDITURES	81,228	69,982

The definition of the Research and Development scope and the method for allocating indirect costs include costs of supplies and consumables, external charges, staff costs, and amortization/depreciation.

NOTE 23 Government grants

The following subsidies were recognized on the income statement:

Accounting category	Type	2023	2022
Other operating income	Innovation aid	14	148
Other operating income	Employment aid	229	301
TOTAL		243	449

NOTE 24 Related-party disclosures

24.1 Relationships with non-consolidated companies

All of the Group's significant companies are fully consolidated. Transactions between these companies are eliminated. The total impact of non-consolidated entities is not significant.

24.2 Compensation and benefits granted by the Group to top executives

The top executives make up the Executive Committee. They received the following benefits and compensation in thousands of euros:

	2023	2022
Short-term benefits	2,877	6,896
Fixed share of total gross compensation (not including benefits in kind)	2,149	3,448
Variable share of compensation ^(a)	728	2,142
Benefits in kind		1,306
Post-employment benefit plans	671	777
of which funded supplemental pension contributions	108	117
of which provisions for retirement benefits	563	660
Other long-term benefits	None	None
Termination benefits	298	None
Payment in shares	None	43

^(a) For each executive, the variable portion depends on attaining a number of personal targets in the previous year. It is adjusted according to the performance of Guerbet or the Group in that same year and is calculated on the basis of the salary for December 2023.

In 2023, the members of the Board of Directors received €324 K in attendance fees representing the directors' compensation for the 2022 fiscal year.

NOTE 25 Off-balance sheet commitments

	2023	2022
Sureties, deposits, and other commitments given to third parties on behalf of related companies	11,062	10,373
Sureties and deposits given to third parties and other commitments ^(a)	405	2,431
TOTAL	11,467	12,804

^(a) At December 31, 2023, Guerbet had a commitment to subscribe to the Truffle Capital innovation investment fund for a maximum of €15 million, €14.6 million of which has already been paid.

Commitments received	2023	2022
Sureties and deposits received by third parties and other commitments ^(a)	101,492	152,050
TOTAL	101,492	152,050

^(a) As part of its refinancing, Guerbet negotiated a €100 million confirmed credit line set up on July 28, 2023, with its partner banks and fully available at December 31, 2023.

In response to the requests from the US FDA to conduct various regulatory preclinical and/or clinical studies for contrast media already on the market ("Post Marketing Requirements"), Guerbet S.A. signed collaboration agreements with other players in the

contrast media sector for shared funding and organization of the studies. The Group's financial commitments in this respect amount to €7.2 million for the 2024-2028 period.

NOTE 26 Earnings per share and diluted earnings per share

	2023	2022
Consolidated net income, Group share	22,171	(41,116)
Weighted average number of shares in the fiscal year	12,641,115	12,616,390
NET EARNINGS PER SHARE	1.75	(3.26)

RETROSPECTIVE PRESENTATION OF THE NUMBER OF SHARES (IAS 33.64)

	2023	2022
Consolidated net income, Group share	22,171	(41,116)
Consolidated net income after dilution	22,171	(41,116)
Number of current shares	12,641,115	12,641,115
DILUTED NET EARNINGS PER SHARE	1.75	(3.25)

NOTE 27 Post-closing events

We are not aware of any major events occurring after the balance sheet date that could affect the interpretation of the financial statements at December 31, 2023.

NOTE 28 Appropriation of the 2023 result

At its meeting of March 20, 2024, the Board of Directors approved the consolidated financial statements at December 31, 2023. These financial statements will not be considered final until they are approved by the Annual General Meeting. The Board of Directors will propose distribution of a gross dividend of €0.50 per share. The total dividend payout will be €6.3 million.

NOTE 29 Fees paid to Statutory Auditors

2023	Mazars				Crowe HAF			
	Statutory Auditor		Network		Statutory Auditor		Network	
	Amount	%	Amount	%	Amount	%	Amount	%
Certification and limited half-year review of individual and consolidated financial statements								
• Issuer	200	33%	—	—%	205	29%	—	—%
• Fully consolidated subsidiaries	36	6%	337	56%	97	14%	393	55%
Subtotal	236	39%	337	56%	302	43%	393	55%
Services other than certification of the financial statements								
• Issuer (CSR work)	25	4%	—	—%	14	2%	—	—%
• Fully consolidated subsidiaries	—	—%	—	—%	—	—%	—	—%
Subtotal	25	4%	—	—%	14	2%	0	—%
TOTAL	261	44%	337	56%	316	45%	393	55%

2022	Deloitte & Associés				Crowe HAF			
	Statutory Auditor		Network		Statutory Auditor		Network	
	Amount	%	Amount	%	Amount	%	Amount	%
Certification and limited half-year review of individual and consolidated financial statements								
• Issuer	288	38%	—	—%	185	24%	—	—%
• Fully consolidated subsidiaries	40	5%	397	53%	93	12%	446	59%
Subtotal	327	44%	397	53%	278	37%	446	59%
Services other than certification of the financial statements								
• Issuer (CSR work)	25	3%	—	—%	—	—%	—	—%
• Fully consolidated subsidiaries	—	—%	—	—%	8	1%	27	4%
Subtotal	25	3%	—	—%	8	1%	27	4%
TOTAL	352	47%	397	53%	286	38%	473	62%

NOTE 30 List of consolidated companies

Business registration number (Siren)	Company	Head office	2023 % held % controlled	2022 % held % controlled
308491521	Guerbet	France	Parent company	Parent company
308412434	Simafex	France	100%	100%
340598978	Medex	France	100%	100%
789526555	Guerbet France	France	100%	100%
	Intrasense ^(a)	France	56%	—%
	A. Martins & Fernandes SARL	Portugal	100%	100%
	Guerbet Laboratories Ltd.	United Kingdom	100%	100%
	SA Guerbet NV	Belgium	100%	100%
	Guerbet Nederland BV	Netherlands	100%	100%
	Guerbet SpA	Italy	100%	100%
	Laboratorios Farmaceuticos Guerbet S.A.U.	Spain	100%	100%
	Guerbet AG	Switzerland	100%	100%
	Guerbet Ilac Tibbi Malzeme A.S	Türkiye	100%	100%
	Lieble-Flarsheim Ireland Ltd.	Ireland	100%	100%
	Guerbet Argentina Ltd.	United Kingdom	100%	100%
	Guerbet Czech Rep. s.r.o	Czech Republic	100%	100%
	Accurate Medical Therapeutics Ltd.	Israel	100%	100%
	Guerbet Austria G.m.b.H	Austria	100%	100%
	Guerbet Ireland Unlimited Co.	Ireland	100%	100%
	Guerbet Imaging Switzerland AG	Switzerland	100%	100%
	Guerbet Poland Sp. Z.o.o.	Poland	100%	100%
	Guerbet Sweden AB ^(b)	Sweden	—%	100%
	Guerbet G.m.b.H	Germany	100%	100%

Business registration number (Siren)	Company	Head office	2023 % held % controlled	2022 % held % controlled
	Guerbet South Africa Pty Ltd.	South Africa	100%	100%
	Guerbet Asia Pacific Ltd.	Hong Kong	100%	100%
	Guerbet India Private Ltd.	India	100%	100%
	Guerbet Japan K.K.	Japan	100%	100%
	Guerbet Medical Consulting (Shanghai) Co., Ltd.	China	100%	100%
	Guerbet Korea Ltd.	South Korea	100%	100%
	Guerbet Taiwan Co. Ltd.	Taiwan, Province of China	100%	100%
	Imaging Solutions Korea Ltd.	South Korea	100%	100%
	Guerbet Pharmaceuticals Wenzhou Co., Ltd.	China	100%	100%
	Guerbet LLC	USA	100%	100%
	Liebel-Flarsheim Company LLC	USA	100%	100%
	Guerbet Caribbean, Inc. (Puerto Rico branch)	Puerto Rico	100%	100%
	Guerbet Caribbean, Inc.	USA	100%	100%
	Guerbet America	USA	100%	100%
	Guerbet Produtos Radiologicos Ltda.	Brazil	100%	100%
	Guerbet Argentina Ltd. (branch)	Argentina	100%	100%
	Guerbet Imagem Do Brasil Ltda.	Brazil	100%	100%
	Guerbet Chile Ltda.	Chile	100%	100%
	Guerbet Mexicana S.A. de C.V.	Mexico	100%	100%
	Guerbet Colombia SAS	Columbia	100%	100%
	Guerbet Panama S.A.	Panama	100%	100%
	Operadora De Insumos Para La Salud Guerbet, S.A. de C.V.	Mexico	100%	100%
	Guerbet Imaging Panama S.A.	Panama	100%	100%
	Gestion Especializada Loro S.A. de C.V.	Mexico	100%	100%
	Guerbet Australia Pty Ltd.	Australia	100%	100%

(a) Acquisition.

(b) Disposal.

6.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2023

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required by French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Guerbet Annual General Meeting,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Guerbet for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for Statutory Auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of intangible assets with an indefinite life and goodwill – impairment tests

Paragraph j) of the Accounting policies and methods and note 5.3 to the consolidated financial statements

Risk identified

As part of its development, the Group carried out acquisitions and external growth operations in the past, and recognized goodwill, manufacturing assets and intangible assets notably related to intellectual property following the purchase price allocation process.

This goodwill, equal to the difference between the price paid and the fair value of net assets acquired, is tested based on a consolidated business plan. The other assets are allocated to four groups of cash-generating units (CGUs), defined according to the geographic regions where the Group operates, as indicated in note 5.3 to the consolidated financial statements.

Each fiscal year, Management ensures that the carrying amount of goodwill and assets with an indefinite life, shown on the balance sheet as of December 31, 2023 for €28.8 million, including goodwill of €27.5 million, does not exceed the recoverable amount and does not present a risk of impairment.

The methods used for the impairment tests and the main assumptions adopted are described in note 5.3 to the consolidated financial statements. The recoverable amount was determined by reference to the value in use calculated based on the present value of expected future cash flows from the asset groups forming the four CGUs.

The assessment of the recoverable amount of these assets was considered to be a key audit matter due to the materiality of the amount with regard to the consolidated balance sheet. In addition, Management is required to make significant estimates and exercise a high level of judgement in determining the assumptions underlying impairment tests and particularly with regard to the construction of the Medium Term Plan and determining the growth rate for cash flow projections and the discount rate applied.

Our response

We verified that the methodology and calculation model applied by the Group were consistent with prevailing accounting standards, supported by the expertise of our valuation specialists.

We also conducted a critical review of how this methodology was implemented. In particular, we:

- verified the completeness of the components of the carrying amount of the CGU groups and the consistency of the determination of this value with the way in which the cash flow projections were prepared to estimate the value in use;
- verified the compliance of the cash flow projections with the 2024-2028 Medium-Term Plan (MTP) prepared by Management, as they were presented to and approved by the Board of Directors;
- conducted a critical analysis of the reasonableness and consistency of the main assumptions adopted in the preparation of the MTP in relation to past results;
- assessed the discount rates used by Management by comparing them with our own estimate of these rates, prepared with the help of our valuation specialists and by analyzing the various constituent parameters to be applied;
- verified the arithmetical accuracy of the impairment tests performed;
- assessed the information provided in note 5.3 to the consolidated financial statements, particularly with regard to key assumptions and sensitivity analyses.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*code de commerce*) is included in Group management report, it being specified that, in accordance with the provisions of Article L. 823-10 of the Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Other Legal and Regulatory Verifications or Information

Format of consolidated financial statements intended to be included in the annual financial report

We also verified, in accordance with professional standards for statutory audit procedures to be carried out on parent company and consolidated financial statements presented in the single electronic reporting format, that the presentation of consolidated financial statements intended to be included in the annual financial report referred to in section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer, complies with the format specified in Commission Delegated Regulation (EU) 2019/815 of December 17, 2018. With regard to consolidated financial statements, our work includes verifying that the tagging in the statements complies with the format specified in the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material aspects, with the single electronic reporting format.

Due to the technical limits inherent to the macro-tagging of consolidated financial statements in accordance with the European single electronic format, it is possible that the content of certain tags in the notes to the consolidated financial statements are not presented in an identical manner to the accompanying consolidated financial statements.

However, it is not our responsibility to verify that the consolidated financial statements ultimately included by your Company in the annual financial report filed with the AMF correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Guerbet by the Annual General Meeting of May 23, 2008 for Crowe HAF and May 26, 2023 for Mazars.

As of December 31, 2023, Crowe HAF and Mazars were in the 16th year and 1st year of total uninterrupted engagement, respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-67 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Levallois-Perret and Paris La Défense, April 2nd 2024

The Statutory Auditors

Crowe HAF
Member of Crowe Global
David KHAROUBI

Mazars
Bruno POUGET

6.3 INDIVIDUAL FINANCIAL STATEMENTS AND NOTES

6.3.1 Annual financial statements

6.3.1.1 Balance sheet

ASSETS

(in € thousands)	Note	12/31/2023			12/31/2022
		Gross amounts	Amortization & depreciation/ Provisions	Net amounts	Net amounts
Patents, trademarks, and similar rights		3	—	3	3
Other intangible assets		122,262	80,030	42,232	40,515
Advance payments		301	—	301	301
Total intangible assets	1	122,566	80,030	42,536	40,819
Land		1,554	—	1,554	1,554
Buildings		114,098	76,482	37,616	39,791
Machinery and equipment		195,316	141,578	53,738	53,660
Other tangible assets		16,527	13,573	2,954	3,176
Fixed assets under construction		28,017	21	27,996	28,531
Advance payments		243	—	243	187
Total tangible assets	2	355,755	231,653	124,101	126,900
Controlled entities	3	355,833	129,105	226,728	231,308
Receivables from controlled entities				—	—
Loans	4/6	9,247	—	9,247	12,090
Other financial assets	6	145	—	145	141
Total financial assets		365,224	129,105	236,120	243,539
TOTAL CAPITAL ASSETS		843,545	440,788	402,757	411,257
Inventories	5	121,166	7,300	113,866	98,292
Advance payments		1,642	—	1,642	793
Trade receivables	6	115,843	106	115,737	77,931
Other operating receivables	6	204,282	19,347	184,935	148,605
Total operating receivables		321,767	19,453	302,313	227,329
Short-term investments and cash and cash equivalents	7	25,865	—	25,865	18,244
TOTAL CURRENT ASSETS		468,798	26,753	442,043	340,078
Prepaid expenses	6	1,818	—	1,818	1,363
Expenses to be spread over several years		—	—	—	—
Translation adjustments		14,423	—	14,423	8,826
TOTAL ASSETS		1,328,583	467,542	861,042	765,311

EQUITY & LIABILITIES

<i>(in € thousands)</i>	Note	December 31, 2023	December 31, 2022
Share capital		12,641	12,641
Share premiums		12,363	12,228
Statutory reserve		1,264	1,264
Other reserves		52,015	52,015
Retained earnings		27,133	110,851
Fiscal year result		18,586	(77,407)
Net position		124,003	111,592
Special tax-allowance reserves	9	59,284	61,604
TOTAL SHAREHOLDERS' EQUITY	8	183,287	173,197
Provisions for liabilities and charges	10	41,030	34,547
Contingent advances	11	10,082	10,082
Other equity		10,082	10,082
Loans and liabilities with credit institutions other than current banking facilities		353,111	275,218
Current banking facilities and credit balances		103	36
Other miscellaneous borrowings and financial debt		302	512
Total financial debt		353,516	275,766
Trade payables		90,773	90,229
Tax and social security payable		52,087	41,682
Amounts payable on fixed assets		3,955	6,358
Other creditors		118,792	125,746
Total operating and miscellaneous liabilities		265,607	264,015
TOTAL LIABILITIES	12	619,123	539,781
Deferred income	12	443	377
Translation adjustments		7,077	7,328
TOTAL EQUITY & LIABILITIES		861,042	765,311

6.3.1.2 Income statement

(in € thousands)	Note	2023	2022
Products sold in France		106,230	105,814
Products sold outside France		383,557	353,599
Revenue from products	14	489,787	459,412
Various products and services		44,501	22,702
Rights and royalties		6,908	8,000
Capitalized production		2,252	2,894
Provision reversals		13,727	13,678
Expense transfers		1,192	842
Operating subsidies		198	407
Other income		4,100	2,800
TOTAL OPERATING INCOME		562,665	510,736
Purchases of merchandise, raw materials and other supplies held in inventory		(269,480)	(249,093)
+ beginning inventories		(108,716)	(85,626)
- ending inventories		121,166	108,716
Consumed during the year		(257,030)	(226,003)
Purchases not held in inventory, other services, and external charges		(115,520)	(112,883)
Taxes and similar payments		(6,016)	(5,944)
Staff costs	15	(107,947)	(96,609)
Depreciation & amortization		(23,395)	(24,327)
Provisions		(7,061)	(14,832)
Other expenses and impairment		(9,592)	(10,365)
TOTAL OPERATING EXPENSES		(526,561)	(490,963)
OPERATING RESULT		36,107	19,773
Reversals of provisions and impairments and expense transfers		8,270	4,716
Interest and similar income		43,287	30,777
Foreign exchange gains		587	3,868
Net proceeds from sales of short-term investments		53	—
TOTAL FINANCIAL INCOME		52,197	39,361
Depreciation, amortization, impairment, and provisions		(37,695)	(102,480)
Interest and similar expenses		(21,032)	(6,039)
Foreign exchange losses		(656)	(1,150)
Net expenses on disposals of short-term investments		—	(138)
TOTAL FINANCE COSTS		(59,383)	(109,807)
FINANCIAL RESULT	16	(7,185)	(70,445)
CURRENT RESULT BEFORE TAXES		28,921	(50,672)
Non-recurring income from non-capital transactions		260	254
Non-recurring income from capital transactions		(100)	26
Reversals of amortization, depreciation, and provisions and expense transfers		9,908	10,412
TOTAL NON-RECURRING INCOME		10,067	10,692
Expenses on non-capital transactions		(1,395)	(2,816)
Expenses on capital transactions		(1,777)	(804)
Depreciation, amortization, and provisions		(12,422)	(30,592)
TOTAL NON-RECURRING EXPENSES		(15,594)	(34,212)
NON-RECURRING RESULT	17	(5,527)	(23,520)
Employee profit sharing		(710)	(527)
Income tax	18	(4,099)	(2,687)
FISCAL YEAR RESULT		18,586	(77,407)

6.3.2 Notes to the annual financial statements

The figures presented in these notes are expressed in thousands of euros, unless otherwise indicated.

Introduction

The balance sheet is drawn up before appropriation of earnings. Therefore, the dividends proposed at the General Meeting do not appear in liabilities.

Significant events

Marketing Authorization obtained for Elucirem™ in the European Union

On December 11, 2023, the European Commission approved the marketing of Elucirem™ in the European Union.

Elucirem™ was approved by the FDA in the United States in September 2022. The commercial launch took place in March 2023, less than six months after the Marketing Authorization by FDA was obtained.

Refinancing of debt

In July 2023, Guerbet signed an agreement to refinance its debt backed by a new five-year variable-rate credit agreement, replacing the one expiring in March 2024. The amount of this agreement is €350 million, including an undrawn €100 million revolving credit facility.

In addition, in order to support its development and diversify its sources of financing, Guerbet announced in July 2023 the signing of agreements for the issue of €50 million in Euro PP bonds over a period of six-and-a-half years and the issue of €50 million in Reliance bonds over eight years.

Acquisition of Intrasure

On January 11, 2023, Guerbet announced that it had acquired a 39% stake in Intrasure, a specialist in medical imaging software solutions, for €8.8 million and at an issue price of €0.44 per share, representing a 34.15% premium over Intrasure's last share price.

Following this acquisition and in the context of the takeover bid that closed on June 5, 2023, Guerbet holds 56.46% of the capital and at least 56.10% of the voting rights of Intrasure. The earn-out paid to Intrasure was €4.1 million.

Sale of the Swedish subsidiary

The Swedish subsidiary, which had been inactive for several years, was sold in November 2023.

Development of the strategy

In line with the shift in its strategy to leverage key assets, Guerbet also announced on January 16, 2023, its intention to divest its microcatheter activities historically housed within Accurate Medical Therapeutics. Guerbet also plans to sell the Occlugel technology acquired in 2018, comprising several lines of microspheres for embolization uses.

The impacts of this decision were reflected in the financial statements at December 31, 2022, and remain unchanged at December 31, 2023 (as the sale had not yet been completed for reasons beyond our control).

Gradual exit from the Turkish market

In late 2022, Guerbet Group decided to terminate its operations in Türkiye because of the complexity of the market and the country's economic situation. The liquidation of the subsidiary is in progress and is expected to be finalized in the first half of 2024.

The company's shares have been 100% impaired since December 31, 2022.

Tax audit

Guerbet underwent a tax audit for the years 2018 to 2021. All the adjustment notices have been received.

The impact of the tax audit on Guerbet's financial statements at December 31, 2023, was €13.7 million (a tax debt of €11.6 million and a provision for liabilities and charges of €2.1 million). In 2022, this amount was divided between tax debt (€7.7 million) and provisions for liabilities and charges (€6 million).

Russo-Ukrainian conflict

Intrasure has interests in the areas affected by the crisis in Ukraine (particularly Russia and Belarus). Guerbet has therefore been more exposed since acquiring its stake in Intrasure, but the company believes that the impact on its operations and financial performance will be very limited overall.

Accounting policies

The financial statements are prepared in accordance with the accounting rules and principles generally accepted in France in accordance with the provisions of the French general accounting principles (PCG), which correspond to ANC regulation No 2014-03, updated with all the regulations that have subsequently amended it.

a) Estimates and judgments

When preparing its financial statements, the Company must make estimates and assumptions which affect the book value of items in assets and liabilities, income and expenses, and the information provided in certain appended notes.

Management evaluates these estimates and assessments continually based on experience and on various other factors judged to be reasonable, which constitute the basis for these assessments.

Actual future results may differ significantly from these estimates according to different conditions or assumptions.

The main significant estimates made by Guerbet's Management relate primarily to valuation of equity interests.

b) Intangible assets

Patents and Marketing Authorization (MA)

Patents are recognized at their acquisition cost. Costs relating to patents and MA are recognized as expenses. Patents are amortized on a straightline basis over their useful lives.

Trademarks

Trademarks acquired are recognized at their acquisition cost. In accordance with PCG 212-3, expenses for filing and renewing trademarks are recognized as expenses for the year in which they are incurred. No amortization is applied to trademarks.

Research and development costs

Costs incurred during the research phase are recognized as expenses. Costs incurred during the development phase are recognized as intangible assets only if all of the following criteria can be demonstrated:

- the technical feasibility necessary to complete the intangible asset for commissioning or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate likely future economic benefits;
- the availability of appropriate technical, financial, and other resources to complete the development and use or sell the intangible asset; and
- the ability to reliably measure the expenditures attributable to the intangible asset during its development.

Because of the risks and uncertainties involved in regulatory authorizations, the company considers that contrast media costs incurred before obtaining the Marketing Authorization (MA) do not meet the above criteria. These development costs are therefore recorded as expenses in the year in which they are incurred. Furthermore, costs incurred after obtaining the MA are generally sales costs that cannot be capitalized. Under Post Marketing Requirements (PMR) in the United States, additional studies may be requested after an authorization is obtained. In that case, the costs associated with those studies meet the criteria for recognition as fixed assets (see note 1 for details).

Research tax credits are classified as tax deductions.

Other intangible assets

Other intangible assets mainly consist of software. This software is amortized over three years. With the possibility of amortization over 12 months offered by the tax legislation for software, accelerated amortization was recognized. This represents the share of additional amortization compared with conventional amortization. This exceptional amortization over a 12-month period is no longer possible on new acquisitions since January 1, 2017.

However, the SAP enterprise resource planning system must be distinguished from other software. The Company has decided to capitalize the internal staff costs directly associated with the project. The software package is amortized over a 10-year period.

c) Tangible assets

These assets are recognized at their acquisition cost. Depreciation is calculated over their useful lifespan using the straight-line method, which on average corresponds to the following durations:

- Buildings: 10 to 20 years;
- Improvements, fittings: 10 years;
- Plant, machinery and equipment: 5 to 10 years;
- Other tangible assets: 3 to 15 years.

For all acquisitions prior to December 31, 1997, and starting again from January 1, 2002, all of the possibilities provided for by the tax legislation in terms of declining balance and exceptional depreciation are used. The declining-balance method is considered to be accelerated compared with straight-line depreciation. Tangible assets may be subject to impairment charges depending on how they are used by Guerbet.

d) Financial assets

Equity investments are recognized at their acquisition cost. They may be written down based on their inventory value. The methods used to measure this inventory value are based on the share of net assets of subsidiaries, discounted future cash flows, or a reference method. When the inventory value falls below the net book value, an impairment loss is recorded for the difference.

In the case of Intrasure, acquired in January 2023, a multicriteria approach was used to value the shares at December 31, 2023, based on the stock market price and future cash flows.

For Truffle Capital, the value in use corresponds to the fund's net asset value.

The acquisition costs of equity investments are recognized directly on the income statement.

Other financial assets are listed on the balance sheet at their acquisition cost or at their inventory value if that is lower.

e) Loans and advances granted to subsidiaries

Loans and advances granted to subsidiaries are recorded at nominal value and impaired based on the risk of recoverability.

f) Inventories and work in progress

Inventories of raw materials and other supplies are measured using the weighted average cost method. Inventories of products in progress and finished products are measured at cost including direct and indirect production costs, excluding administrative, financial, and sales costs. An impairment provision is created according to inventory turnover rates, use-by dates, and any quality problems.

g) Trade receivables

Trade receivables are stated at nominal value. They are written down, where applicable, according to the risk of non-recovery.

h) Short-term investments

Short-term investments are valued at their acquisition cost. When the inventory value of these securities, determined on the basis of their likely sale value, i.e. their liquidation value at the end of the year, is less than their acquisition cost, a provision for impairment is set aside for the amount of the difference. No allowance for impairment is recognized on treasury shares intended to be allocated free of charge to employees. The related benefit is funded in the provisions for liabilities and charges in accordance with the French general accounting principles (PCG).

i) Borrowings

Borrowing costs are recognized directly on the income statement. The Company has not opted to spread out the costs.

j) Financial instruments

Premiums paid in relation to interest rate options are recognized in the assets section of the balance sheet upon acquisition of the option and carried over to the income statement prorata temporis over the life of the contract. Provisions are made for any costs of interest rate fluctuations. To manage its exposure to interest-rate and currency risk due to its industrial and commercial activity, Guerbet S.A. uses financial instruments that are listed on organized markets. The Company's policy is to never trade on markets for speculative purposes.

k) Foreign currency translation

Guerbet S.A. centralizes management of currency risk for its French subsidiaries. Debts and receivables listed in currencies outside of the euro zone are converted at the rates prevailing at December 31. Unrealized foreign exchange gains or losses arising from this are booked on the balance sheet as translation adjustments. Guerbet S.A. hedges its currency risks with forex futures or options. Any provisions for foreign exchange loss take these hedges into account. Income from currency option trading is recognized at the option strike date to the extent that the options hedge commercial operations after the end of the year. The premium paid is recognized as an asset on the balance sheet until the option expires.

Since January 1, 2017, the date of application of ANC Regulation 2015-05, a distinction is made between commercial transactions and financial transactions in foreign currencies.

The exchange loss on commercial transactions is presented in operating income under purchases not held in inventory, other services, and external charges, while the exchange gain is presented in other income.

l) Special tax-allowance reserves

According to statutory requirements, special tax-allowance reserves include provisions for accelerated depreciation.

Accelerated depreciation and amortization are calculated according to the methods detailed in b) and in c) for intangible and tangible assets.

m) Provisions for liabilities and charges

Provisions for liabilities and charges recognized correspond to liabilities meeting the following criteria:

- the amount or the maturity date is not set precisely;
- the economic impact is negative for the Company. This means that this liability is analyzed as an obligation of the Company to a third party, which will probably or certainly lead to an outflow of resources to said third party, with no compensation at least equivalent expected in return.

n) Retirement benefit obligations

Retirement benefit obligations are recognized in provisions for liabilities. For defined-benefit pension plans, the cost of benefits is estimated using the projected unit credit method. This consists of basing the calculation on the compensation that will be paid to employees as of their likely retirement date, taking into account age structure, employee turnover rate and survival rate using official tables by age group. The amounts obtained are revalued according to inflation and promotion scenarios and then discounted to take into account the date on which these benefits will actually be paid. When the calculation assumptions are revised, the resulting actuarial gains and losses are fully carried over into the result. These valuations are made once a year, for all pension plans. The method used for the allocation of benefit entitlements is on a straight-line basis from the date on which each year of service counts toward the vesting of the benefit entitlements.

o) Revenue

Revenue is recognized when there is a transfer to the purchaser of the benefits and risks relating to ownership of the goods.

p) Operating subsidies

Guerbet S.A. recognizes a subsidy in its individual financial statements as accrued income upon obtaining approval from the funding agency.

q) Allocation of free shares

As indicated in the PCG, expenses relating to free share allocations are presented in costs through an expense transfer account. As indicated in the PCG, the provision recognized at each close changes based on, among other things, the likely cost of purchase, the number of shares to be allocated based on employee turnover, and changes in the value of the share and the services rendered. The applied employee turnover rate is 2.06%. This provision is recognized on a straight-line basis over the vesting period for free share allocations to employees of Guerbet S.A.

Expenses relating to free share allocations to employees who are members of Guerbet Group but are not part of Guerbet S.A. are not recognized on a straight-line basis and are charged back to the subsidiaries.

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NOTE 1 Intangible assets

	December 31, 2022	2023 increases ^(a)	2023 decreases ^(b)	December 31, 2023
Concessions, patents, and similar rights	3	—	—	3
Other intangible assets	77,936	5,383	(2,298)	81,021
Fixed assets under construction	35,806	5,434	—	41,240
Advance payments	301	—	—	301
Gross values	114,046	10,817	(2,298)	122,565
Depreciation & amortization	(49,330)	(8,808)	2,005	(56,133)
Impairments ^(c)	(23,897)	—	—	(23,897)
NET VALUES	40,819	2,009	(293)	42,535

(a) The increases in intangible assets include €8.7 million in IT investments (mainly SAP) and €1.6 million in capitalized R&D project costs.

(b) The decreases in intangible assets are related to the disposal of licenses, software, and IT developments.

(c) The €23.9 million in impairment losses in 2022 related to the IBM Watson and Occlugel assets. They were recorded following the termination of the partnership by Merative (formerly IBM Watson) in October 2022 and the strategic refocusing as announced in January 2023.

Capitalization of preclinical and clinical studies required by the US Food and Drug Administration

In December 2017, Guerbet LLC received a request from the FDA (Food and Drug Administration) to conduct two preclinical studies and a clinical study for Dotarem®, a product also marketed in the United States, for which approval was obtained in 2013.

In November 2022, Guerbet LLC received a second request from the FDA referencing the MA obtained for Elucirem™ in September 2022. As was the case for Dotarem®, the FDA asked Guerbet to conduct two preclinical studies and a clinical study.

These studies are part of the Post Marketing Requirements (PMR) governed by section 505(o) of the FDCA (Federal Food, Drug,

and Cosmetic Act). They are mandatory, but the result does not call into question the sale of the products in the US market. According to the FDA, “the results from completed studies provide additional information that can lead to safety labeling changes, support expanded use of a drug, or alleviate concerns about a potential drug risk.”

Under Group rules, the costs relating to preclinical and clinical studies incurred after an authorization is obtained meet the criteria for recognition as capital assets.

At December 31, 2023, €2.2 million was capitalized for preclinical studies and €3.9 million for the clinical study for the PMR for Dotarem® and Elucirem™.

NOTE 2 Tangible assets

	December 31, 2022	2023 increases ^(a)	2023 decreases ^(b)	December 31, 2023
Land	1,554	—	—	1,554
Buildings	111,341	2,851	(95)	114,097
Plant, machinery, and equipment	186,676	8,826	(186)	195,316
Other tangible assets	18,056	807	(2,335)	16,528
Fixed assets under construction	28,552	—	(535)	28,017
Advance payments	187	—	56	243
Gross values	346,367	12,484	(3,095)	355,755
Depreciation & amortization	(219,446)	(14,587)	2,401	(231,632)
Impairments	(21)	—	—	(21)
NET VALUES	126,900	(2,103)	(694)	124,102

(a) The €12.5 million increase in the gross value of tangible assets in 2023 was mainly due to investments for the production plants (€6 million for the Lanester plant and €6 million for the Aulnay-sous-Bois plant).

(b) The decreases in tangible assets relate to inventories carried out at the Aulnay-sous-Bois, Lanester, and Villepinte plants.

NOTE 3 Investments

	December 31, 2022	2023 increases	2023 decreases	December 31, 2023
Gross value of equity investments at December 31^(a)	340,045	16,932	(1,145)	355,833
Impairment of equity investments ^(b)	(108,737)	(21,634)	1,266	(129,105)
NET VALUE OF EQUITY INVESTMENTS AT DECEMBER 31	231,308	(4,702)	121	226,728

(a) The change in "Increases" is mainly due to the €13 million acquisition of a stake in Intrasure.

(b) Additional write-downs on investments in associates mainly concerned the subsidiary Guerbet Ireland (€17 million).

These amounts correspond to investments held as at December 31. Detailed financial information for each subsidiary and other controlled entities is provided in note 29, "Subsidiaries and controlled entities." Allocations and reversals for impairment of equity investments are recognized in financial income.

NOTE 4 Loans

	2023	2022
Loans to staff	15	19
Other loans ^(a)	9,232	12,071

(a) Including a €7.8 million loan to Guerbet Asia Pacific and a \$0.7 million loan to Imaging Solutions Korea.

NOTE 5 Inventories

	2023	2022
Raw materials and supplies		
Gross amount	29,220	23,502
Impairments	(16)	(17)
Net amount	29,204	23,485
Intermediate and finished products		
Gross amount	62,785	62,057
Impairments	(6,971)	(10,162)
Net amount	55,814	51,896
Goods		
Gross amount	29,161	23,157
Impairments	(313)	(246)
Net amount	28,848	22,912
TOTAL NET AMOUNT	113,866	98,292

Gross inventories increased overall because of two main factors: higher prices for our materials, especially iodine, and an increase in our materials in anticipation of the production plan for the first half of 2024, which will be very busy because of the change of business model in France (multi-use). At the same time, impairments between 2022 and 2023 decreased as a result of the inventory clearance policy stepped up at the end of 2023.

NOTE 6 Receivables by due date

	2023			2022
	Gross amounts	Up to 1 year	More than 1 year	
Receivables from controlled entities	—	—	—	—
Loans	9,247	498	8,749	12,090
Other financial assets	145	—	145	141
Bad or doubtful debts	1	1	—	1
Other trade receivables ^(a)	115,842	115,842	—	78,043
Staff	3	3	—	—
Social security and related liabilities	116	116	—	114
State: income tax ^(b)	19,545	7,118	12,427	23,996
State: value-added tax	6,807	6,807	—	6,383
State: miscellaneous receivables	198	198	—	361
Group and associates	164,623	164,623	—	119,678
Miscellaneous debtors	12,087	12,087	—	13,534
Prepaid expenses	1,818	1,818	—	1,363
TOTAL	332,083	310,762	21,321	255,703

(a) Including an increase in receivables from foreign customers of €7.8 million and Group customers of €29.5 million.

(b) Including the research tax credit (CIR) for a total of €13.3 million (€896 K in 2020, €4.8 million in 2021, €3.9 million in 2022, and €3.8 million in 2023).

NOTE 7 Short-term investments and cash and cash equivalents

Short-term investments and cash and cash equivalents consist of 63,222 treasury shares with a nominal value of €1 representing a total gross value of €1,065 K, 11 financial investments in SICAV shares with a value of €260 K, and cash and cash equivalents for €24.5 million.

Part of the treasury shares is intended for the allocation of free shares, and the other part relates to the liquidity contract established in March 2022 with Exane BNP Paribas. The aim of this contract is to promote the liquidity of transactions and

regular trading in the shares and to avoid price differences that are not justified by market trends. At the start, Guerbet S.A. allocated €600 K in cash for implementation of the contract.

In 2023, Guerbet S.A. bought back 50,000 shares on the market for the purpose of distributing free shares. Under the liquidity contract, 13,219 shares were acquired during the fiscal year and will be recorded in the liquidity account at December 31, 2023.

NOTE 8 Shareholders' equity

	2023	2022
Beginning shareholders' equity	173,197	264,535
Distributed dividends	(6,321)	(10,745)
Dividends carried forward (related to treasury shares)	9	13
Increase in share capital and additional paid-in capital	135	—
Fiscal year result	18,586	(77,407)
Special tax-allowance reserves	(2,321)	(3,199)
ENDING SHAREHOLDERS' EQUITY	183,286	173,197

	2023
Number of shares at the beginning of the year	12,641,115
Creation of shares through exercise of stock options	—
ENDING NUMBER OF SHARES	12,641,115

NOTE 9 Special tax-allowance reserves

	December 31, 2022	2023 allowances	2023 reversals	December 31, 2023
Provisions for accelerated depreciation	61,604	7,576	9,897	59,283
TOTAL	61,604	7,576	9,897	59,283

NOTE 10 Provisions for liabilities and charges

	December 31, 2022	2023 allowances	2023 reversals (provision used/ reclassified)	2023 reversals (provision not used)	December 31, 2023
Retirement benefits (operating) ^(a)	15,292	1,205	(1,891)	—	14,606
Operating currency risk ^(b)	1,822	2,838		(1,822)	2,838
Financial currency risk ^(b)	7,004	11,585		(7,004)	11,585
Other (operating) ^(c)	2,090	1,856	(1,767)	(1)	2,178
Other (financial) ^(d)	8,339	592	(3,553)	(400)	4,978
Other (extraordinary) ^(e)		4,846			4,846
TOTAL	34,547	22,922	(7,211)	(9,227)	41,030

(a) **Retirement benefits:**

The Company has no obligations in terms of pensions, supplemental pensions, or similar benefits with the exception of a supplemental pensions obligation to its officers. The calculation of the retirement benefits provision assumes that all retirements will be voluntary. The retirement benefits provision did not cover corporate officers at December 31, 2023.

The main actuarial assumptions applied to assess the retirement benefits provision are as follows:

Discount rate:

The discount rate used at December 31, 2023, is 3.5%.

Turnover rate:

The employee turnover rate is established from statistics and according to analysis factors such as the employee's status and age, where relevant.

Wage growth rate:

The wage growth rate used to calculate the liability at December 31, 2023, is 2.9%.

Social security charge rate:

The social security rate used at December 31, 2023, was 48.40%.

Mortality rate:

The tables used for mainland France are TH 00-02 and TF 00-02 (adjusted).

Inflation rate:

The inflation rate used at December 31, 2023, was 2%.

(b) **Currency risk:**

In accordance with regulation 2015-05, the provision for foreign exchange loss distinguishes between commercial transactions and financial transactions in foreign currencies.

Commercial transactions: €2.8 million.

Financial transactions: €11.6 million.

(c) **Other (operating):** including the €1.5 million provision for free shares allocated to employees and the €157 K provision for commercial disputes.

(d) **Other (financial):** including a €2 million supplementary tax assessment provision and a €2.3 million OSEO contract provision.

(e) **Other (extraordinary):** including a €4.8 million restructuring provision.

Contingent liabilities

In the absence of sufficient evidence of having reached the thresholds for triggering the payment of a potential additional bonus of €10.5 million after 2030 as provided for in the amendment to the OSEO contract (see details in note 11 below), this bonus is considered a contingent liability.

NOTE 11 Contingent advances

In December 2008, the request for aid for the French-German "Iseult" research project, filed with OSEO, was approved by the European Commission. Financing was obtained for the incurred expenses, including 39% in the form of repayable advances and 61% in the form of grants.

An amendment to the contract was signed in June 2020 to revise the conditions for reaching the final milestones and the payment of the associated aid, but also to modify the terms on financial returns in the event that a product resulting from the project is released on the market.

At December 31, 2023, €10 million in repayable advances received from 2008 to 2020 with respect to this aid agreement are recorded on the balance sheet under "Contingent advances." In addition, a provision for expenses for the repayment premium of €8 million provided for in the contract has been set up on a straight-line basis since 2021 (€1.1 million per year).

NOTE 12 Payables by due date

	2023				2022
	Gross amount	1 year at most	1 to 5 years	More than 5 years	Gross amount
Current banking facilities and credit balances	103	103		—	36
Loans and liabilities with credit institutions other than current banking facilities ^(a)	253,111	3,111	250,000		275,218
Borrowings and other financial liabilities ^(b)	100,302	287	—	100,015	512
Trade payables	90,773	90,773	—	—	90,229
Staff and related accounts ^(c)	25,548	25,548	—	—	20,268
Social security and related liabilities	7,982	7,982	—	—	7,295
State: income tax ^(d)	5,022	5,022	—	—	10,689
State: VAT	—	—	—	—	1
State: other taxes and similar payments	12,631	12,631	—	—	3,428
Amounts payable on fixed assets	3,955	3,955			6,358
Group and associates	88,102	88,102	—	—	101,999
Other creditors	30,690	30,690	—	—	23,747
Deferred income	443	443	—	—	377
TOTAL	618,662	268,647	250,000	100,015	540,158

(a) Including €250 million to refinance debt through syndicated credit facilities with banks.

(b) Including €100 million to refinance debt with recovery bonds and a private placement note.

(c) This change is mainly due to the increase in profit sharing and bonuses.

(d) This change was due to the €4.9 million reversal of the tax adjustment.

Borrowings include a clause providing for a maximum value of the "Net financial debt/restated EBITDA⁽¹⁾" ratio, which varies from year to year.

The maximum value of the ratio is 4.0. The ratio was 3.27 on December 31, 2023.

⁽¹⁾ Restated EBITDA = Operating income + net depreciation, amortization, impairment, and provisions after restructuring costs.

NOTE 13 Accrued income and expenses

	2023	2022
Accrued income		
Receivables from controlled entities	—	—
Trade receivables	26,342	24,035
Other receivables ^(a)	9,121	3,983
Banks and financial institutions	—	—
TOTAL	35,463	28,018
Accrued expenses		
Borrowings and financial liabilities ^(b)	3,111	218
Trade payables	55,915	56,679
Debt on fixed assets	—	—
Tax and social security payable ^(c)	38,584	21,167
Other creditors ^(d)	30,510	22,928
Accrued overdraft interest	103	36
TOTAL	128,223	101,028

(a) Mainly due to credit notes receivable relating to transfer pricing adjustments for a total of €9 million.

(b) The increase was associated with the rates of the new financing finalized in July 2023.

(c) Including €11.6 million in tax arrears for 2018 to 2021.

(d) Mainly due to credit notes to be issued relating to transfer pricing adjustments for a total of €30 million.

NOTE 14 Revenue

Revenue by geographic region

	2023	2022
France and overseas departments and territories	116,280	105,814
Europe excluding France	132,549	131,655
Europe including France	248,829	237,469
Asia	103,535	101,152
Latin America	27,528	28,721
North America	85,163	66,412
Other countries	24,734	25,658
TOTAL	489,787	459,412

Revenue by product range

	2023	2022
X-ray	237,384	246,934
MRI	189,553	152,953
TOTAL DIAGNOSTIC IMAGING	426,937	399,886
INTERVENTIONAL IMAGING	62,851	59,526
TOTAL	489,787	459,412

NOTE 15 Staff costs

	2023	2022
Salaries and wages	70,440	(64,216)
Social security charges	37,507	(32,394)
TOTAL	107,947	(96,609)

NOTE 16 Financial result

	2023	2022
Dividends ^(a)	29,310	27,897
Net interest ^(b)	(6,451)	(3,159)
Foreign exchange result	(68)	2,719
Net provision for equity investments ^(c)	(20,368)	(78,384)
Other ^(d)	(9,609)	(19,518)
TOTAL	(7,186)	(70,445)

(a) Including dividends received from Guerbet Ireland for €10 million and Guerbet France for €5 million.

(b) Including interest on borrowed funds of €16 million, net interest on current accounts of €2.7 million, and interest on swaps of €7 million.

(c) This change is mainly due to the transfer of €17.4 million to the provision for Guerbet Ireland securities.

(d) Including €7 million in reversals, €11.6 million in transfers to provisions for liabilities and charges, and current account impairment of €3.9 million.

In accordance with ANC Regulation 2015-05, the foreign exchange result of commercial transactions is presented in operating income under "Other expenses" for €5 million and "Other income" for €4 million in 2023.

NOTE 17 Non-recurring result

	2023	2022
Net expense on special tax-allowance reserves	(2,514)	(20,180)
Net book value on disposals of fixed assets ^(a)	(1,767)	(265)
Expenses on free shares	(11)	(539)
Proceeds from disposals of fixed assets	(100)	26
Other ^(b)	(1,134)	(2,561)
TOTAL	(5,526)	(23,520)

(a) Including €1.3 million net book value related to the liquidation of Guerbet Sweden AB.

(b) Including €0.8 million in additional tax assessments.

NOTE 18 Income tax

The Group has opted for tax consolidation since 1988. The following companies have historically been included in the tax consolidation scope: Guerbet S.A. (parent company and head of the tax consolidation group) and Simafex. Starting in the 2014 fiscal year, Medex and Guerbet France entered the scope of tax consolidation. In accounting terms, tax expenses are borne by the consolidated companies (subsidiaries and parent company) as they would be without tax consolidation. Loss-related income from taxes is kept by the parent company. Savings made by the tax consolidation group that are not linked to losses (corrections related to certain intra-group

transactions) are kept by the parent company and recognized as income. Tax credits for research, apprenticeships, family benefits, and employment competitiveness are reallocated to the companies that generated them. Tax savings resulting from tax losses of subsidiaries will be reallocated to them and applied against future taxable profits. The overall taxable income at the normal rate for the tax consolidation group comes to €19.5 million for 2023. The tax expense for the tax consolidation group was €5.1 million after deducting tax credits, including the 2023 research tax credit of €3.8 million.

The tax expense or income appearing on the income statement breaks down as follows:

	2023	2022
Group tax income (or expense)	(1,128)	(991)
Tax expense from consolidated subsidiaries	1,724	1,946
Tax savings reallocated to consolidated subsidiaries	(759)	(1,404)
Other tax expenses(a)	(3,936)	(2,239)
TAX INCOME (OR EXPENSE) FOR THE GROUP PARENT COMPANY	(4,099)	(2,687)

(a) Including €3.9 million in tax adjustments.

Tax income (or expense) for the Group parent company breaks down as follows:

	2023	2022
Corporate tax on current result	(5,251)	(2,116)
Corporate tax on non-recurring result	944	(667)
Other tax expenses	209	96
TAX INCOME (OR EXPENSE) FOR THE GROUP PARENT COMPANY	(4,099)	(2,687)

Non-deductible expenses referred to in article 39-4 of the French General Tax

For the 2023 fiscal year, Guerbet S.A.'s expenses of this type pertain to the depreciation of passenger cars for €230 K.

NOTE 19 Deferred tax position

Guerbet S.A.'s deferred tax position was calculated on the basis of tax consolidation starting in the 1988 fiscal year. As a result, prepaid taxes resulting from the time lag between the recognition of certain income and expenses and their incorporation into

taxable income and taxes payable on equity items (special tax-allowance reserves) were determined for all tax-consolidated companies.

	2023	2022
Net deferred taxes from temporary differences (prepaid taxes)	14,423	14,604
Deferred taxes on shareholders' equity (taxes due)	18,318	18,756

These deferred taxes were calculated at forecast future rates based on the 2023 Finance Act, increased by the social contribution.

NOTE 20 Impact of the application of tax statutes on the fiscal year result

In order to take advantage of certain tax provisions, the Company must recognize some entries on the income statement (non-recurring income) that do not have the status of accounting income or expenses.

	2023	2022
Pre-tax result	22,685	(74,719)
Net allowance or reversal of special tax-allowance reserves and accelerated amortization and depreciation	(2,321)	(3,199)
Adjusted pre-tax result	25,005	(71,520)

NOTE 21 Related companies

All significant transactions with related parties and liable to come within the scope of article R. 123-198 of the French Commercial Code relate to wholly owned subsidiaries.

Transactions are entered into with related parties under normal market conditions.

Write-offs granted to related companies and implemented during the 2023 fiscal year

N/A.

NOTE 22 Bonus share allocation plan

On March 21, 2021, the Board of Directors approved a fourth free share allocation plan for certain employees and executives of Guerbet and its French and foreign subsidiaries. On September 21, 2022, the Board of Directors approved a new free share allocation plan (Plan 5).

The main assumptions applied for the free share plans in effect at December 31, 2023, are as follows:

	Plan 4	Plan 5	Plan 6
Grant date	May 01, 2021	September 22, 2022	July 01, 2023
Acquisition date	May 01, 2024	September 22, 2025	July 01, 2026
Vesting period	3 years	3 years	3 years
Price on grant date	33.70	17.50	17.00
Anticipated dividend rate	1.28%	2%	2.3%
Risk-free rate	(0.59%)	1.50%	2.80%
Volatility	37%	37%	36%
Employee turnover rate	2.06%	2.06%	2.06%
Probability of fulfilling the performance conditions	Based on Monte Carlo model	Based on Monte Carlo model	Based on Monte Carlo model

There are 11,888 free shares still to be allocated under Plan 4. Regarding Plan 5, 84,205 shares were allocated. A new plan has been in force since July 1, 2023. In accordance with the regulations of Plan 6, performance shares can be allocated until June 30, 2024. The details at December 31, 2023, are as follows:

Plan type	Number of instruments initially granted	Number of vested instruments	Grant date	End of vesting period (subject to presence)	Vesting period in years	Commitment by plan
AGAP (plan 4)	48,060		2021	2024	3	€258 K
Number of active shares at 12/31/2023	11,888					
AGAP (plan 5)	98,409		2022	2025	3	€1,257 K
Number of active shares at 12/31/2023	84,205					
AGAP (plan 6)	92,896		2023	2026	3	€1,223 K
Number of active shares at 12/31/2023	88,234					

The total commitment since the first share allocation plan (dated September 28, 2016) was valued using the Monte Carlo model with the Black & Scholes formula.

Under these plans, a €1,468 K transfer to provisions was booked for shares remaining to be allocated at December 31, 2023.

NOTE 23 Items that could generate market risk

Currency risk

The majority of Guerbet's accounting currency risk relates to the financing of various subsidiaries in their functional currency as well as intra-group flows mostly denominated in the functional currency of the subsidiaries. The most significant amounts are in

USD (€90 million), JPY (€22.5 million), BRL (€16 million), and KRW (€14 million). Guerbet hedges part of its currency risk exposure through swaps and forward instruments.

Interest rate risk

During the previous financing in March 2019, the choice was made to hedge tranche B of the syndicated credit facility for €225 million by establishing interest rate hedging instruments with a starting date deferred for two years, maturing in March 2024.

When we refinanced our existing debt this year, we decided to keep these instruments and plan to put in place a new hedging strategy starting March 2024 to take over. In November 2023, we hedged tranche B of the new syndicated credit facility (€150 million) using various instruments, half in the form of interest-rate swaps and half in the form of collars (purchase of caps and sale of floors).

The mark-to-market value at December 31, 2023, of the derivatives traded in March 2019 was +€2.1 million, while the mark-to-market value of those put in place in November 2023 and backing the new debt was -€2.8 million, *i.e.* a net amount of -€0.7 million.

Interest rate sensitivity is calculated on the balance of unhedged gross debt, which represents 25.3% of variable-rate debt. Guerbet S.A.'s liabilities are denominated entirely in euros.

An increase or decrease of 100 basis points in the Euribor would result in a change in the cost of debt of plus or minus €0.9 million year on year.

NOTE 24 Compensation allocated to corporate officers

	2023	2022
Compensation allocated to corporate officers	876	1,172

This is compensation paid for their role as corporate officers, and for their salaried job.

NOTE 25 Average workforce during the year

	2023	2022
Manual workers, office workers	187	193
Technicians, supervisors	414	433
Executives	456	448
TOTAL AVERAGE WORKFORCE	1,057	1,074

NOTE 26 Off-balance sheet commitments

	2023	2022
Sureties, deposits, and other commitments given to third parties on behalf of related companies ^(a)	24,827	12,122
Sureties and deposits given to third parties and other commitments	1,706	1,500
Property and equipment leasing commitments, of which lease payments:	4,247	4,565
up to 1 year	1,549	1,596
between 1 and 5 years	2,698	2,969
at more than 5 years	—	—
Outstanding secured debt	—	—
TOTAL	30,780	18,187

(a) The increase relative to 2022 (+\$15 million) was mainly due to a first-demand guarantee with Citibank to cover all the Group's commitments.

As part of its refinancing, Guerbet negotiated a €100 million confirmed credit line set up on July 28, 2023, with its partner banks and fully available at December 31, 2023.

	Lease-financing payments in 2023	Lease-financing payments in 2022
On property leases	—	—
On equipment leases	1,893	2,104
TOTAL	1,893	2,104

Financial items related to leased property and equipment are as follows:

	2023	2022
Value of property and equipment	6,905	6,790
Depreciation if the assets had been acquired by the Company	887	1,332
Residual value of assets at the end of the contract	—	—

For 2023, the details of these lease financing assets by type break down as follows:

	Acquisition cost	Allowances for depreciation for the fiscal year	Cumulative allowances for depreciation	Net value
Plant, machinery, and equipment	—	—	—	—
Other tangible assets	6,905	887	2,307	4,598
TOTAL	6,905	887	2,307	4,598

As at December 31, 2023, Guerbet S.A. has a commitment to subscribe to the Truffle Capital innovation investment fund for a maximum of €15 million, including €14.6 million already paid.

In response to the requests from the US FDA to conduct various regulatory preclinical and/or clinical studies for contrast media

already on the market (Post Marketing Requirements), Guerbet S.A. signed collaboration agreements with other players in the contrast media sector for shared funding and organization of the studies. The financial commitments in this respect amount to €7.2 million for the 2024-2028 period.

NOTE 27 Other information

N/A.

NOTE 28 Post-closing events

We are not aware of any major events occurring after the balance sheet date that could affect the interpretation of the financial statements at December 31, 2023.

NOTE 29 Subsidiaries and controlled entities

Detailed information on each subsidiary and controlled entity (in € thousands)	Capital	Shareholders' equity excl. capital and result	Share of capital held as %	Gross value of securities	Net value of securities	Loans and advances granted	Deposits and sureties	Revenue from products	Dividends	Result last ended fiscal year
A – Securities of gross value exceeding 1% of the share capital of Guerbet S.A.										
Subsidiaries										
Simafex (France)	1,280	28,840	100	1,224	1,224	8,866		39,191	3,500	299
Medex (France)	180	7,774	100	3,000	3,000			15,187	4,000	(471)
Intrasense (France)	2,613	8,254	56	12,880	12,880			3,419		(3,577)
Martins & Fernandes (Portugal)	410	490	100	1,224	1,035	667		3,429		179
Guerbet Laboratories Ltd. (United Kingdom)	5,012	579	100	5,643	5,643		38	13,528	1,816	379
SA Guerbet N.V. (Belgium)	541	1,290	100	379	379		500	13,143	499	878
Guerbet SPA (Italy)	8,000	6,054	100	8,743	8,743		2,500	20,105	600	717
Laboratorios Farmaceuticos Guerbet (Spain)	781	5,168	100	790	790	2,613		15,872		748
Guerbet A.G. (Switzerland)	540	3,516	100	304	304	808		33,950		303
Guerbet Imaging Switzerland AG (Switzerland)	83	912	100	13,370	—			—		(72)
Guerbet Austria G.M.B.H. (Austria)	73	(12)	100	146	124	34		2,727	70	53
Guerbet Ireland Unlimited Company (Ireland)	42,308	27,272	100	141,700	82,653		5,164	76,366	10,000	8,764
Guerbet Czech Republic s.r.o. (Czech Republic)	350	185	100	329	329			—	639	276
Guerbet A.S. (Türkiye)	368	126	100	4,503	—		490	741		(408)
Accurate Medical Therapeutics Ltd. (Israel) ^(a)	2	16,479	100	38,258	—	21,259		477		(3,829)
Guerbet South Africa Pty Ltd. (South Africa)	173	1,009	100	777	777		10	4,685	154	(45)
Guerbet Korea Ltd. (South Korea)	5,848	(2,183)	100	8,202	8,202			30,943		882
Guerbet Taiwan (Taiwan)	207	3,065	100	191	191			12,383	1,057	(339)
Guerbet Japan KK (Japan)	2,111	1,592	100	1,951	—	22,648		45,838		(3,367)
Guerbet Mexicana (Mexico)	3,134	654	100	3,600	3,600	15		15,136		341
Guerbet Produtos Radiologicos (Brazil)	5,643	19,862	100	11,197	11,197			39,136		(3,146)
Guerbet Imagem do Brasil, Ltda. (Brazil)	9,762	(5,195)	29	4,966	357			17,484		(3,235)
Guerbet Chile Limitada (Chile)	672	305	100	416	416			8,829		(328)

Detailed information on each subsidiary and controlled entity (in € thousands)	Capital	Shareholders' equity excl. capital and result	Share of capital held as %	Gross value of securities	Net value of securities	Loans and advances granted	Deposits and sureties	Revenue from products	Dividends	Result last ended fiscal year
Guerbet Panama S.A. (Panama)	347	(62)	100	1,009	182	1,654		1,128		(146)
Guerbet Australia Pty Ltd. (Australia)	1,045	1,834	100	1,577	1,577			13,553		312
Guerbet America LLC (United States)	—	79,786	100	69,000	69,000	5,124	593	15		(1,203)
Guerbet GmbH (Germany)	25	10,085	100	1,629	1,629			29,569	1,100	2,563
Gestion Especializada Loro (Mexico)	2,684	(1,659)	100	2,256	858			—		(167)
Guerbet Colombia SAS (Columbia)	14	(491)	100	1,572	—			4,352		(227)

B – Securities of gross value not exceeding 1% of Guerbet's share capital
Subsidiaries

Abarem (France)	1		100	1	—					
Abalux (France)	1		100	1	—					
Guerbet France (France)	2	18,877	100	2	2	12,796		129,086	5,000	403
Guerbet Nederland B.V. (Netherlands)	91	619	100	92	92			13,958	649	525
Guerbet Asia Pacific (Hong Kong)	—	26,088	100	NS	NS			89,465		6,018
Guerbet Poland SP.Z.O.O. (Poland)	8	307	100	70	70			1,069	216	58
Guerbet Imaging Panama S.A. (Panama)	498	(5,563)	100	NS	NS	6,975		4,043		(261)
Guerbet India (India)	90	199	100	97	97			2,723		(154)

Controlled entities

Investments in French companies	N/A			108	108					
Truffle				14,625	11,268					

(a) Advances have been written down by €19.3 million.

General information on all subsidiaries and controlled entities	Subsidiaries		Controlled entities	
	French	Foreign	French	Foreign
Book value of securities held:				
• gross:	17,108	323,991	14,733	—
• net:	17,106	199,106	11,376	—
Amount of loans and advances granted	8,866	74,593	—	—
Amount of deposits and sureties		9,294	—	—
Amount of dividends received	12,500	16,800	—	—

For subsidiaries outside the euro zone and capital, shareholders' equity was converted at the closing rate, and the result was converted at the average rate at December 31, 2023.

6.4 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

Year ended December 31, 2023

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Guerbet Annual General Meeting,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Guerbet for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for Statutory Auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments and loans and advances granted to subsidiaries

Paragraphs d) and e) of the Accounting policies and methods and notes 3, 4 and 6 to the financial statements

Risk identified

Equity investments and loans and advances granted to subsidiaries are presented in the balance sheet as of December 31, 2023 for net amounts of €227 million and €154 million, respectively, or 37% of total assets. Equity investments are recorded at cost and impaired based on the value in use at the year-end of the entities concerned. Loans and advances granted to subsidiaries are recorded at nominal value and impaired based on the risk of recoverability.

Management is required to exercise judgment in determining the value in use of equity investments and the recoverable amount of loans and advances granted to subsidiaries, which represent a particularly material amount. We therefore considered the valuation of these assets to be a key audit matter.

Our response

We assessed the reasonableness of the estimated value of these assets. We verified that Management's estimate of these values was supported by appropriate documentation of the valuation method and amounts used.

For equity investments of a material amount or which represent a specific risk of impairment, we:

- familiarized ourselves with the methods used to determine the value in use;
- for equity investments whose value in use is based on the share in net equity: reconciled the net equity amount used for impairment testing with the audited financial statements of the relevant entity;
- for equity investments whose value in use is based on discounted future cash flows: assessed the consistency of the value in use obtained with regard to the items available to date and reconciled the portion of this value in use with the net book value of the equity investments;
- for equity investments whose value in use is based on a benchmark method: assessed the consistency of the method with the adopted value in use.

Our work also consisted in assessing the recoverability of loans and advances granted to subsidiaries with respect to the equity investment analyses.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

Information given in the management report and in the other documents addressed to shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*code de commerce*).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance contains the information required by Articles L.225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Concerning the information relating to items your Company considers likely to have an impact in the event of a public tender offer or public exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code, we have verified its compliance with the source documents communicated to us. Based on these procedures, we have no matters to report on this information.

Other information

In accordance with the law, we have ensured that the various information relating to the acquisition of holdings and control and to the identity of the holders of the capital or voting rights have been communicated to you in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

We also verified, in accordance with professional standards for statutory audit procedures to be carried out on parent company and consolidated financial statements presented in the single electronic reporting format, that the presentation of the financial statements to be included in the annual financial report referred to in section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer, complies with the format specified in Commission Delegated Regulation (EU) 2019/815 of December 17, 2018.

Based on our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material aspects, with the single electronic reporting format.

However, it is not our responsibility to verify that the financial statements ultimately included by your Company in the annual financial report filed with the AMF correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Guerbet by the Annual General Meeting of May 23, 2008 for Crowe HAF and May 26, 2023 for Mazars.

As of December 31, 2023, Crowe HAF and Mazars were in the 16th year and 1st year of total uninterrupted engagement, respectively.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-67 to L.821-34 of the French Commercial Code and in the French Code of Ethics (*code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Levallois-Perret and Paris La Défense, April 2nd 2024

The Statutory Auditors

Crowe HAF
Member of Crowe Global
David KHAROUBI

Mazars
Bruno POUGET

6.5 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Annual General Meeting held to approve the financial statements for the year ended December 31, 2023

This is a free translation into English of the Statutory Auditors' special report on regulated agreements issued in the French language and it is provided solely for the convenience of English-speaking readers. This report on regulated agreements should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Guerbet Annual General Meeting,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Annual General Meeting, if any.

We performed the procedures that we considered necessary with regard to the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to this engagement.

Agreements submitted to the approval of the Annual General Meeting

We hereby inform you that we have not been advised of any agreement authorized and entered into during the year to be submitted to the approval of the Annual General Meeting pursuant to Article L. 225-38 of the French Commercial Code.

Agreements previously approved by the Annual General Meeting

We hereby inform you that we have not been advised of any agreement previously approved by the Annual General Meeting which continued in effect during the year.

Levallois Perret and Paris La Défense, April 2nd, 2024

The Statutory Auditors

Crowe HAF
Member of Crowe Global
David KHAROUBI

Mazars
Bruno POUGET



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7.1 PERSON RESPONSIBLE FOR THE ACCURACY OF THE UNIVERSAL REGISTRATION DOCUMENT

David Hale, Chief Executive Officer.

7.2 STATEMENT BY THE PERSON RESPONSIBLE FOR THE ACCURACY OF THE DOCUMENT

I affirm, that the information contained in this Universal Registration Document is, to the best of my knowledge, accurate and has no omissions that could detract from its significance.

I affirm, to the best of my knowledge, that the statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position, and income of the Company and of all the companies included in its consolidation scope. I affirm that the management report, appearing on pages 93 *et seq.*,

presents an accurate view of developments in the business, the results, and the financial position of the Company and of all the companies included in the consolidation scope and that it describes the main risks and uncertainties that they face.

Villepinte, April 2nd, 2024

David Hale

Chief Executive Officer

7.3 PERSONS RESPONSIBLE FOR THE AUDIT OF THE ACCOUNTS

PRINCIPAL STATUTORY AUDITORS

	First mandate	Last renewal	End of term
MAZARS Represented by Mr. Bruno Pouget 61, rue Henri Regnault 92075 Paris-La Défense cedex	General Meeting of May 26, 2023		General Meeting for the 2028 fiscal year
CROWE HAF Member of the Crowe Global network represented by Mr. David Kharoubi 16, rue Camille-Pelletan 92300 Levallois-Perret	General Meeting of May 23, 2008	General Meeting of May 20, 2022	General Meeting for the 2027 fiscal year

7.4 SHARE CAPITAL

7.4.1 History of the share capital

All capital increases correspond to exercised stock options.

Event	Date of Board meeting confirming the capital increase	Number of shares created	Number of shares making up the share capital	Share capital (in €)
Capital increase	January 06, 2009	15,396	3,019,965	12,079,860
Capital increase	January 19, 2010	21,796	3,041,761	12,167,044
Capital increase	January 19, 2011	8,285	3,050,046	12,200,184
Four-for-one share split ^(a)	Not applicable	12,200,184	12,200,184	12,200,184
Capital increase	March 11, 2015	8,000	12,208,184	12,208,184
Capital increase	February 09, 2016	135,290	12,343,474	12,343,474
Capital increase	March 28, 2017	157,774	12,501,148	12,501,148
Capital increase	March 27, 2018	62,210	12,563,358	12,563,358
Capital increase	March 26, 2019	17,903	12,581,261	12,581,261
Capital increase	March 24, 2020	14,900	12,596,161	12,596,161
Capital increase	March 24, 2021	6,513	12,602,674	12,602,674
Capital increase	March 23, 2022	38,441	12,641,115	12,641,115

^(a) Completed on January 23, 2014.

7.4.2 Securities not giving access to the Company's capital

Not applicable.

7.5 PUBLIC ACCESS TO THIS DOCUMENT

The Registration Documents are available in the "Finance" section of the Company's website at www.guerbet.com along with other documents related to regulated information (half-year financial reports, press releases, monthly statements on the number of shares and voting rights, etc.).

Furthermore, in accordance with legal provisions, all Shareholders can exercise their permanent right to communication and come to view the documents referred to in Article L. 225-15 of the French Commercial Code at the Company's headquarters at 15, rue des Vanesses – 93420 Villepinte.

7.6 GENERAL INFORMATION ABOUT THE COMPANY

7.6.1 Legal form and company name

The legal name of the Company is Guerbet. It is organized in the form of a French public limited company (*société anonyme*) with a Board of Directors, governed by the rules of the French Commercial Code. The registered office is located at 15 rue des Vanesses, 93420 Villepinte, the telephone number is

+33 (0) 1 45 91 50 00, and the website address is www.guerbet.com (the information on the website is not part of the prospectus unless this information is incorporated by reference in the prospectus).

7.6.2 Date of incorporation

Guerbet was created on July 16, 1926, by the transformation of an undeclared partnership (*société en participation*) founded in 1901 into a limited partnership (*société en commandite simple*), then transformed into a public limited company (*société anonyme*) on January 1, 1965. The status of a public limited company with an executive board and a supervisory board (*Société anonyme à Directoire et Conseil de surveillance*) was

adopted on October 27, 2001, before it was changed to a public limited company with a board of directors (*société anonyme à Conseil d'administration*) at the Combined General Meeting of May 21, 2010. The Company's dissolution date is June 30, 2100, barring early dissolution or barring an extension, such as the extension for 99 years at the Extraordinary General Meeting held on December 8, 1998.

7.6.3 Trade and Companies Register (*Registre du Commerce et des Sociétés*)

Guerbet is listed in the Bobigny Trade and Companies Registry under number 308491521, and its business comes under code APE 2120 Z – Manufacture of pharmaceutical preparations. Its LEI number is: 969500WW1U1WQ059L135.

7.6.4 Fiscal year

Each fiscal year consists of twelve months, commencing on January 1 and ending on December 31.

7.7 ARTICLES OF ASSOCIATION (EXCERPTS)

7.7.1 Provisions of the articles of association governing the operation of management and administrative bodies

7.7.1.1 Powers of the Board of Directors (article 12)

The Board of Directors sets the guidelines for the Company's business and oversees their implementation. Within the powers expressly granted by law to General Meetings of Shareholders and within the limits of the company's purpose, it deals with all issues affecting the company's operations and regulates the company's affairs.

It performs the controls and verifications it deems appropriate.

The Directors each receive all the information necessary to carry out their duties and can obtain the documents that they consider useful for this purpose.

The Board of Directors grants the authorizations provided for by law (particularly those foreseen under the provisions of article L. 225-38 of the French Commercial Code) and, as an internal measure that does not apply to third parties, the authorizations mentioned in article 14 of these articles of association.

The Board of Directors can decide to create committees (and determine the composition and powers thereof), and they carry out their activity under its responsibility, but it cannot delegate the powers that are attributed to it by law or the bylaws or reduce or limit the powers of the Board of Directors.

The Board of Directors can grant special mandates to one or more of its members for one or more specific purposes.

Under penalty of nullity of the contract, it shall be prohibited for Directors other than legal entities to take out loans from the

Company in any form whatsoever, to have it grant them an overdraft on a current account or otherwise, or to have the Company provide guarantees or deposits for commitments to third parties. The same restriction applies to the CEO, to the Deputy CEO(s) and to permanent representatives of legal entities who are Directors as well as to the spouses, parents, and descendants of the persons above and to all intermediaries.

Directors do not take on any personal or joint obligation by virtue of their positions except those foreseen by the legal provisions in force.

7.7.1.2 Powers of the Chief Executive Officer (article 14)

Subject to legal limitations, the CEO is vested with the broadest powers to act in all circumstances on the Company's behalf.

Nonetheless, under internal regulations and without extending such limitations to third parties, the Board of Directors can limit the extent of the CEO's powers.

7.7.1.3 Powers of the Deputy Chief Executive Officer (article 14)

By agreement with the CEO, the Board of Directors determines the scope and duration of the powers granted to Deputy CEOs. Nonetheless, they have the same powers in dealing with third parties as the CEO.

7.7.2 Provisions of the articles of association concerning profit distribution

Distribution of profits (article 24)

Distributable profits are made up of the profit from the fiscal year, reduced by losses from previous years, as well as amounts to carry over into reserve in application of the law or under the Company's articles of association, and increased by retained earnings.

After the accounts have been approved and the existence of a distributable profit is ascertained, the necessary sum is taken from those profits to distribute an initial, non-cumulative dividend to Shareholders, equal to 6% of the paid-up and non-redeemed amount of the shares they own.

From the available surplus, the General Meeting deducts all the sums deemed appropriate to allocate to all optional reserve funds or retained earnings.

The balance, if there is one, is split between all the Shareholders in proportion to the amount of shares that they own.

Shareholders at the General Meeting are entitled to grant to each Shareholder, for all or part of the dividend or interim dividends distributed, a choice between payment in cash or in shares for said dividend or interim dividend.

7.7.3 Provisions in the articles of association on capital

The provisions in the articles of association on capital are detailed in the third section of this document, "Capital and shareholding structure".

7.7.4 Other provisions of the articles of association

Company purpose (article 2)

The Company's purpose, in France and in every country, is:

- research on, development, and invention of all pharmaceutical and chemical products, and all medical devices;
- manufacture, purchase, and marketing of all pharmaceutical and chemical products, and all medical devices;
- development and marketing of services, in any form whatsoever, either directly or indirectly related to pharmaceutical and medical activities, and to healthcare activities more generally;
- all industrial, commercial, and financial activities directly or indirectly related to this purpose, including research activities, and the creation, acquisition, holding, use, and sale of patents, licenses, know-how, and, more generally, all intellectual and industrial property rights; and
- any industrial, commercial, financial, investment or property operations that may be directly or indirectly related to the above purposes or that could facilitate their application or development.

7.8 CONCORDANCE TABLES

7.8.1 European prospectus

The concordance table of the Universal Registration Document identifies the information provided for in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980 of March 14, 2019, supplementing the provisions of Regulation (EU) 2017/1129 of June 14, 2017.

In the table below, the pages mentioned refer to this Universal Registration Document of Guerbet filed with the AMF.

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