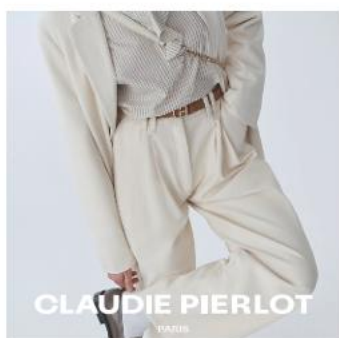


SMCP

sandro • maje • claudie pierlot • fursac



Universal registration document

ANNUAL FINANCIAL REPORT

2024

Table of contents

<i>Business model</i>	4	5 <i>Analysis of activity and outlook</i> AFR	239
1 <i>The Group and its activities</i>	7	5.1 Highlights	240
1.1 History	8	5.2 Analysis of activity and consolidated results	241
1.2 Activities	9	5.3 Cash flow	249
1.3 The market of ready-to-wear and accessories	22	5.4 Financial structure	252
1.4 Group strengths and competitive advantages	24	5.5 Outlook	256
1.5 Strategic focus	29	6 <i>Financial statements</i> AFR	259
1.6 Organisational structure	32	6.1 Consolidated financial statements	260
1.7 Legislative and regulatory environment	35	6.2 Financial statements of the parent company	312
2 <i>Risk factors and internal control</i> AFR	41	7 <i>Share capital and shareholding structure</i>	329
2.1 Risk factors	42	7.1 Shareholding structure AFR	330
2.2 Insurance and risk coverage	61	7.2 Dividends AFR	337
2.3 Internal control and risk management	62	7.3 General Meeting and voting rights	337
2.4 Supervisory bodies	63	7.4 Elements likely to have an impact in the event of a public offering AFR	338
2.5 The risk management system	63	7.5 Information on share capital AFR	341
3 <i>Sustainability report</i> AFR	65	8 <i>Appendices</i>	349
3.1 General information	66	8.1 Presentation of the issuer	350
3.2 Environmental information	97	8.2 Information about the Statutory Auditors	351
3.3 Social information	125	8.3 Information on the universal registration document	352
3.4 Information on business conduct	151	8.4 Person responsible for the universal registration document AFR	354
3.5 Appendices	158	8.5 Documents available to the public	354
3.6 Report on the certification of sustainability information and audit of the information provided by SMCP in line with the disclosure requirements provided for by Article 8 of Regulation (EU) 2020/852	172	<i>Universal registration document cross reference tables</i>	355
4 <i>Corporate governance</i> AFR	179		
4.1 Organisation of governance	180		
4.2 Compensation and benefits	208		
4.3 Commitments with related parties and Agreements	235		

SMCP

sandro • maje • claudie pierlot • fursac

Universal registration document

INCLUDING THE ANNUAL
FINANCIAL REPORT

2024



This version cancels and replaces the version of the universal registration document filed with the French Financial Markets Authority, the AMF, on April 16, 2025, in its capacity as the competent authority according to Regulation (EU) 2017/1129, without prior approval as allowed by Article 9 of the said Regulation. The change between the two versions consists in a correction on page 212 regarding the percentage of payment of part of the annual variable compensation for the Deputy General Managers, in case 125% of one or several of the financial targets "Adjusted Group EBIT", "Adjusted EMEA EBIT" and "Adjusted Brand EBIT" is achieved. The rest of the 2024 universal registration document remains unchanged.

This is a translation into English of the universal registration document of SMCP issued in French and it is available on the website of the issuer.

The universal registration document may be used for an offering of securities to the public or admission of securities to trading on a regulated market if supplemented by a prospectus and where appropriate, a summary and all the amendments made to the universal registration document. The resulting document package is then approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of this universal registration document are available at no cost from SMCP, 49, rue Étienne Marcel, 75001 Paris, France. It can also be downloaded from the SMCP website (www.smcp.com) or from the AMF website (www.amf-france.org).



ISABELLE GUICHOT
Chief Executive Officer SMCP SA

Dear Shareholders,

The year 2024 has been atypical in many respects, both macro-economically and geopolitically, yet it has proven to be a significant year for our Group.

Throughout this period, we have demonstrated remarkable resilience, supported by positive momentum across all regions, with the exception of China. We gradually accelerated our sales momentum, driven primarily by our two main brands, Sandro and Maje. Additionally, we rebalanced our geographical footprint and strengthened the Group's financial stability.

We have executed a comprehensive action plan aimed at fostering profitable growth by:

- optimising our store network in China to concentrate on the most profitable locations.
- maintaining our full-price policy to minimise the discount rate.
- controlling inventories to protect our cash flow and reduce debt.

We have also continued to enhance the desirability of our four brands and their collections. Although this transitional year impacted our profitability, we observed significant progress in the second half. Critical steps have been taken to streamline our operations, optimise costs, and accelerate our sustainability initiatives. While these actions have incurred short-term costs, we believe they constitute a strategic investment that is already beginning to yield encouraging results for the future.

Our expansion efforts persist, with new points of sale opening through our key partners in Southeast Asia, the Middle East, and India, thereby strengthening our international presence.

The year has also been marked by substantial advancements in our CSR initiatives. We intensified our efforts to reduce our carbon footprint, engaging all our partners and supply chain stakeholders. Furthermore, we promoted the circular economy by encouraging second-hand products through returns to stores and offering repair services. We also launched a new parental leave policy, which has been implemented internationally for all our teams.

I would like to extend my heartfelt gratitude to every member of the Group for their teamwork, fighting spirit, and exceptional commitment throughout this transitional year. Thanks to their hard work and determination, we have attracted new customers, explored new territories, and diversified our distribution channels.

Drawing on our experience and guided by the vision and passion of our founders, we approach 2025 with determination, creativity, and ambition. We remain fully confident in the strength of our brands, focusing on like-for-like growth, optimising and expanding our store network in collaboration with our partners, and rebuilding our profitability. In an uncertain geopolitical landscape, the SMCP Group stands as a resilient player, prepared to meet the challenges of the coming year.



CHRISTOPHE CUVILLIER
Chairman of the Board of Directors

Dear Shareholders,

In 2024, the downward trend in the consumer environment continued. Geopolitical uncertainty and market volatility kept on weighing on the Group's business activity, making rigorous cost management and a cautious approach more essential than ever to preserve its financial strength.

Under the leadership of Isabelle Guichot, SMCP's management team was quick to grasp the scale of these challenges and, as early as last spring, deployed an ambitious action plan to offset the slowdown in consumption and to support sustainable growth. Particular attention was paid to cost savings and preserving the cash position, enabling the Group to demonstrate its resilience and significantly reduce its debt in a difficult market.

I would like to congratulate the SMCP teams for their responsible and tenacious spirit over the past year. I would also like to highlight the improvement in sales quarter after quarter, especially in the second half of the year, a sign that the recovery initiatives implemented in recent months are beginning to pay off.

At a time of heightened global tensions and geopolitical uncertainties, and in a trading environment that will remain difficult in 2025, I know that I can count on our hard-working SMCP teams to remain engaged.

Beyond financial performance, and in this first year of application of the CSRD, sustainability is more important than ever for our industry. The Group has strengthened its commitment to a more responsible fashion by taking action across its entire value chain. Our governance bodies are fully engaged on these issues, from reducing our carbon footprint across all our operations to using more sustainable materials for our products. Significant progress has also been made in our labour policy. These challenges are essential, and we will continue to integrate them fully into the Group's strategy in the coming years.

Finally, I would like to thank the founding family and all the members of the Board of Directors for their unfailing commitment to the Group and its stakeholders.

Business model

Our vision

Offering Parisian elegance by acting as passionate and responsible entrepreneurs

► OUR RESOURCES

Human

- **6,592** passionate entrepreneurs from 108 countries
- **81%** women
- Over **110** employees in the design studios and workshops in Paris
- **83%** of employees in sales functions

Financial

- **€1,212m** in revenue
- **4%** of revenue invested in CapEx

Nature

- **Climate strategy** validated by the SBTi and a **biodiversity strategy**
- **68%** of materials from natural resources*
- **18,476 MWh** of energy consumed

Supply chain

- **219** tier 1** suppliers
- Cut-and-sew work accounts for **37%** of production purchases
- **Traceability process** deployed throughout the Group

Premium international distribution network

- Presence in **49** countries with **1,662** points of sale
- **91%** of revenue linked to direct distribution
- **20%** of revenue linked to digital
- **Over 3.3 million active customers**

► OUR BUSINESS MODEL

Agile, accessible and responsible brands operating

Our brands:

SANDRO

maje

CLAUDIE PIERLOT
PARIS

FURSAC

Our strategic priorities:

A common objective for all pillars:
improve efficiency and productivity

Voice out louder and clearer
brand singularity, foster desirability

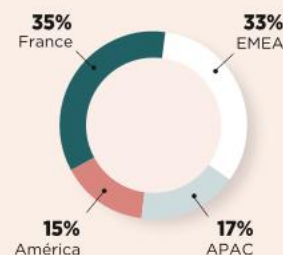
Integrate CSR
into our business model

Rethink the network
and build global brands by making customers the focus

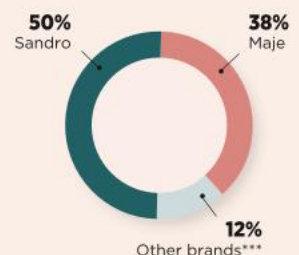
Reinforce our infrastructure capabilities
to achieve excellence

Unlock opportunities
to widen SMCP's horizons

Revenue by region



Revenue by brand



TRENDS



Emerging middle class (especially outside the OECD)



Rising luxury prices, a source of opportunities for the accessible luxury segment

* Cotton, wool, linen, viscose, leather.

** Direct suppliers responsible for the production and assembly stages of finished products.

*** Claudie Pierlot and Fursac.

**** 56% Board of Directors, 75% Executive Committee.

Be a
passionate
entrepreneur

Act with
sustainability
in mind

Encourage
creativity and
innovation

Develop
a global
mindset

Think of
elegance
as an attitude

► OUR IMPACT

in accordance with luxury goods codes

Our value chain:

1 Design and concept

based in Paris,
of ready-to-wear collections
and accessories for women
and men for Sandro, Maje,
Claudie Pierlot and Fursac



2 Purchases of

finished and
cut-and-sew products:
52% in Euromed, 47% in
Asia, 1% other



3 Transport

72%
by sea and land



4⁵ logistics

platforms
spread around
the world



6 Extending the

life of products
by developing new
services (second-hand, rental
and repair) and by applying
the zero destruction principle



5 Distribution

(omnichannel) of
new and second-hand
products through prestigious
locations and a strong, value-
creating digital presence



120-DAY
PERIOD

Employees

- Employee recommendation of the company: **7.3/10**
- At least **56%****** of people in management bodies are women
- **69%** of store managers from internal promotions

Financial performance

- **Adjusted EBIT Margin 4.4%** of revenue
- **Positive free cash flow** every year since the Group's IPO (in 2017)

Climate and biodiversity

- **19.8%** carbon reduction vs 2022
- **66%** of SKUs have a lower environmental impact
- **63%** of electricity from renewable sources

Upstream partners

- **59%** of production purchases from suppliers with more than 10 years of service
- **100%** of tier 1** suppliers have undergone social audits
- **100%** of SKUs have traceability information, of which **65%** have at least one item of information about the spinning/tannery stages.

Customers

- Customer satisfaction (Group consolidated NPS): **73/100**
- **7,272K** followers on all social media platforms

Communities

- **SMCP sales training programme** for people who have been excluded from the labour market
- **Donations of unsold items and partnerships with charities** in each brand
- **€27m** in taxes paid in 2024

Changes in
consumer behaviour

Climate change
and environmental
pressures





The Group and its activities

1.1 History	8	1.5 Strategic focus	29
		1.5.1 Voice out louder and clearer brand singularity, foster desirability	29
1.2 Activities	9	1.5.2 Integrate CSR into the business model	30
1.2.1 Group brands and products	9	1.5.3 Rethink the network and build global brands by making customers the focus	30
1.2.2 Geographic footprint	13	1.5.4 Reinforce infrastructure capabilities to achieve excellence	31
1.2.3 Product development	14	1.5.5 Unlock opportunities widening SMCP horizons	31
1.2.4 Brand image, communication and marketing	15		
1.2.5 Distribution	16	1.6 Organisational structure	32
1.2.6 Sales force	20	1.6.1 Legal organisational structure of the Group as at December 31, 2024	32
1.2.7 Logistics organisation	20	1.6.2 Subsidiaries and equity interests	34
1.2.8 A unique in-store customer experience	21		
1.3 The market of ready-to-wear and accessories	22	1.7 Legislative and regulatory environment	35
1.3.1 A large global market	22	1.7.1 Consumer protection and e-commerce	35
1.3.2 Growth of the sector impacted by the macro-economic environment	22	1.7.2 Product liability	36
1.4 Group strengths and competitive advantages	24	1.7.3 Regulations on the protection of personal data	36
1.4.1 Portfolio comprising complementary and desirable brands	24	1.7.4 Regulation of opening hours	37
1.4.2 Competitive brands attracting consumers from all segments of the ready-to-wear and accessories market	25	1.7.5 Regulation of bulk selling, sales, price reductions and stock liquidations	38
1.4.3 A unique and proven operating model	25	1.7.6 Legal framework governing private sales	38
1.4.4 A strong management team and a well-structured organisation to drive future growth	28	1.7.7 International trade and customs duties	38
		1.7.8 Tax regulations	39
		1.7.9 Environmental regulations	39

1.1 History

Chapter 1

Eighties and nineties: Creation of the Sandro and Maje brands with a wholesale distribution model

In **1984**, Évelyne Chétrite founded the Sandro brand in Paris, in the heart of the Marais district. Her sister, Judith Milgrom, worked with her and decided a few years later, in **1998**, to create her own brand, Maje. At that time, their designs were sold in multi-brand stores.

Chapter 2

2003-2010: Rapid development in France and implementation of a purely retail distribution model

From **2003** and **2004**, the brands were so successful that Judith and Évelyne decided to open their first stores in Paris. Maje's store was located on the left bank (rue du Four), and Sandro's in the Marais (rue Vieille du Temple). In **2007**, Ilan Chétrite, Évelyne Chétrite's son, also embarked on the adventure by creating Sandro Homme.

Soon after, in **2008** the 100th point of sale is opened in France for Sandro and Maje.

By adopting this new proprietary distribution model, Sandro and Maje have full control over their distribution, image and commercial policy. This model also allows them to offer their customers the same experience in all points of sale in their network.

In **2009**, they decided to collectively buy the Claudie Pierlot brand from its founder, and created the SMCP Group (Sandro-Maje-Claudie Pierlot) in 2010.

At that time, L-Capital and Florac together owned 50% of the share capital and 51% of the voting rights of the newly created SMCP Group, the balance being held by the founders and managers.

Chapter 3

2011-2019: International expansion and creation of an omnichannel network

With now 500 points of sale in France, SMCP decided to start a new chapter in its history of growth, that of international expansion by opening its first points of sale outside France:

- in the United States in New York in **2011**;
- then in Asia in the cities of Hong Kong in **2012** and Shanghai in **2013**.

To support it in this new stage of its development, SMCP was able to rely on the support of KKR, which in 2013 acquired 70% of the Group's share capital, with the directors and founders retaining around 30%.

The Group grew rapidly during this time. In 2014, SMCP acquired its Hong Kong partner AZ Retail Ltd and continued its expansion in Asia. At the same time, the Group created its e-commerce platform and opened its own websites.

In **2015**, the Group opened its 1,000th point of sale, including 60 digital points of sale, and generated 50% of its revenue internationally.

In **2016**, the Chinese group Shandong Ruyi, one of the largest textile manufacturers in Mainland China, acquired control of the Group from KKR.

In **2017**, SMCP, which now generates nearly 60% of its revenue internationally and has a digital penetration of more than 12%, first floated on the stock market in October. As part of a capital increase for a gross amount of approximately €120 million, the Company launched an IPO and saw its shares traded on Compartment A of the Euronext Paris regulated market.

In September **2019**, SMCP strengthened its presence in the men's segment through the acquisition of the Fursac brand, one of the French leaders in accessible luxury goods for men, positioned in the modern tailoring segment which combines high-quality tailoring with a casual style.

Chapter 4

Since 2020: Creating global, sustainable and phygital⁽¹⁾ brands

In a context marked by the Covid-19 pandemic, which is helping to accelerate certain consumer trends, SMCP is finalising the development of a new strategic plan, One Journey, communicated to the market in October 2020, which will enable it to build global, desirable, sustainable and *phygital* brands.

At the end of **2021**, the composition of the Company's shareholding structure underwent significant changes (see paragraph 7.1.2 "Change in shareholding structure").

In 2021 and **2022**, SMCP gradually returned to its pre-Covid activity levels, once again crossing the €1 billion threshold in revenue in 2021, and exceeding 2019 revenue in 2022.

In **2023**, SMCP has continued to grow its international business with the acquisition of its partner in Australia and New Zealand, and has laid the foundations of a new development by signing a partnership in India.

In **2024**, in a deteriorated consumer environment, in China especially, SMCP implemented an action plan to return to a profitable path of growth. The first initiatives include the adjustment of the store network (particularly in Mainland China, as well as for Claudie Pierlot in Europe), and the optimisation of the purchasing process for materials, components and products, as well as a review of operating expenses.

⁽¹⁾ Expression used to describe a strategy that combines a physical presence with an online presence.

1.2 Activities

1.2.1 Group brands and products

SMCP is an international player in retail, ready-to-wear and accessories sales. The Group markets its collections through a network of physical points of sale and websites.

The Group is structured around four highly-recognised brands, each with its own identity and dedicated design teams and workshops: Sandro (Women and Men), Maje, Claudie Pierlot and Fursac.

These four complementary brands enable the Group to better penetrate its markets by targeting different customer profiles with appropriate product ranges, while sharing a single global platform and a single optimised distribution chain.

The Group is structured around three divisions:

- **Sandro**: 50% of revenue in 2024;
- **Maje**: 38% of revenue in 2024;
- the “**Other Brands**” division, which combines the brands **Claudie Pierlot** and **Fursac** (12% of revenue in 2024).



The Group's collections are made up of high-quality clothing and accessories for women and men, in a more affordable price segment than that of luxury brands.

The Group manages the design, marketing and sale of the products under its four brands, thus meeting the needs of a wide audience, mainly between the ages of 15 to 45 years. The Group believes that its Parisian base is a natural source of inspiration and the cornerstone for the positioning of its brands.

The Group's creative approach is focused on capturing fashion trends and consumer aspirations and interpreting them by creating and developing affordable and very appealing ready-to-wear apparel and accessories collections while maintaining a strong attention to detail and craftsmanship, providing luxury, high value-added products.

The Group's margins differ depending on the brand. The highest margins are traditionally achieved through sales of its Sandro and Maje Women's collections, due to a more advanced degree of maturity in this market, and a critical mass effect to better absorb fixed costs. Sandro Homme, Claudie Pierlot and Fursac have lower margins and have significant potential to improve margins as their business and the productivity of their points of sale develop.

Margins also vary depending on the type of product sold. For example, its margins on leather goods may be lower than its margins on ready-to-wear products due to the relative cost of raw materials.

1.2.1.1 SANDRO

The Sandro brand was created in 1984 by Évelyne Chétrite, who is currently its Artistic Director. Initially exclusively aimed at women, Sandro launched a menswear line in 2007 with the creation of Sandro Homme by Ilan Chétrite, the son of Évelyne Chétrite and currently this brand's Artistic Director.

Style and target profile

The products of the Sandro brand form part of a refined and contrasting aesthetic. They combine the need for elegance and subtle details with a fashionable, creative and typically Parisian twist. Sandro products are aimed at an urban clientele, who have developed a particular taste for a contemporary and elegant clothing style.

Product offering

The Women's collections are designed as complete and coherent seasonal wardrobes, where each piece complements the others. The combinations are endless and the style versatile. The brand, recognised for its suits and coats, also offers a wide range of ready-to-wear products, bags, shoes and accessories.

In the Men's collections, although tailoring remains a strong part of Sandro's DNA, the casual wear collections also have a wide appeal. The Sandro Homme design studio creates complete collections, a clever mix of essential pieces and designs that capture the spirit of the times and the immediacy of desires.

In addition to the two main collections, the brand also offers “capsule” collections^[1]. These capsules provide a more diverse product offering and surprise customers. To give a few examples, in 2022, Sandro launched a capsule based on the Hot Stuff comic books, in 2023 a capsule with Wrangler aimed at both men and women, and in 2024 a collaboration with the artist Louis Barthélémy.

[1] The capsule collections comprise a limited number of products marketed over a shorter period than the seasonal collections.

Geographic locations

The first Sandro store opened in 2004 in the Marais district of Paris. As of December 31, 2024, the brand had 755 points of sale⁽¹⁾ in 48 countries, including 167 in France and 588 abroad. In total, 358 points of sale are intended for female customers, 127 for men ("Sandro Homme" points of sale) and 270 are unisex (Sandro Femme and Sandro Homme). The points of sale are located in the capital cities and major cities of the countries in which we operate.

Sandro points of sale are the faithful incarnation of the brand's values of authenticity and generosity. The refined simplicity of the

graphic codes expresses Sandro's DNA. Light and warm tones combine with the softness of the materials to express an intimate, chic and welcoming atmosphere. Designed with a modern eye and a poetic hand, this concept offers an experience that reflects the heritage and evolution of Évelyne and Ilan Chétrite, by integrating an eco-responsible dimension into the architectural choices. Through craftsmanship elements such as ceramics or wood, the interior architecture of Sandro stores resonates with a very personal authenticity. The Sandro architectural concept is the subtle link between heritage and innovation, timelessness and renewal. The avenue des Champs-Élysées flagship store opened in 2022 is a perfect illustration of this.

The following table shows the breakdown of Sandro points of sale by market as at December 31, 2024:

	Total number of points of sale	of which Sandro Femme	of which Sandro Homme	of which unisex*
France	167	77	45	45
Spain	34	18	6	10
Germany	29	13	8	8
United Kingdom	27	13	6	8
Switzerland	20	13	3	4
Netherlands	18	8	4	6
Italy	17	7	3	7
Turkey	14	8	2	4
United Arab Emirates	8	2	-	6
Portugal	8	2	1	5
Ireland	7	4	-	3
Egypt	7	2	2	3
Greece	7	4	1	2
Belgium	4	1	-	3
Luxembourg	4	1	1	2
Lebanon	4	3	-	1
Malta	4	2	1	1
Ukraine	4	-	-	4
Other EMEA markets	30	14	5	11
Total EMEA	246	115	43	88
South Korea	78	47	11	20
Mainland China	75	25	2	48
Australia	18	11	1	6
Hong Kong SAR	12	4	-	8
Taiwan	8	6	1	1
Other Asian markets	27	10	2	15
Total APAC	218	103	17	98
United States	87	42	19	26
Mexico	19	10	3	6
Canada	18	11	-	7
Total America	124	63	22	39
TOTAL	755	358	127	270

* Points of sale offering Sandro Femme and Sandro Homme products at the same time.

(1) The brand's points of sale include directly-operated and partner-operated stores, concessions, outlets and e-commerce platforms.

1.2.1.2 MAJE

The Maje brand was created in 1998 by Judith Milgrom, sister of Évelyne Chétrite and Artistic Director of the brand since it was created. Maje embodies generosity, creativity, femininity and freedom.

Style and target profile

The Maje brand offers bold, lively and playful pieces, for all women and all occasions. The collections develop a feminine silhouette that is both discreet and glamorous, composed of pieces with subtle details. The brand expresses itself through its own identity: from here and elsewhere, authentic, free and emotional.

Product offering

The Maje brand's iconic products are an alliance between fluidity and structure, lace and embroidery, knitwear and leather. More generally, the Maje brand offers all types of clothing as well as footwear, bags, jewellery, scarves, belts and other accessories.

Maje conducts creative and innovative collaborations with other brands, artists or designers as part of "capsule" collections, such as its collaboration with the Sailor Moon franchise in 2022 or with the illustrator Jiayi Li for the Spring-Summer 2024 collection.

Capsules can also be used to promote eco-responsible products.

Geographic locations

The first Maje store opened in 2003 on rue du Four in Paris. As of December 31, 2024, the brand had 621 points of sale^[1] in 47 countries, including 133 in France and 488 outside France. Maje points of sale are located in the capital cities and major cities of the countries in which it operates.

The Maje brand points of sale are characterised by spaces that combine here and elsewhere, with very Parisian inspirations and Mediterranean hints. In collaboration with young architects and designers, Maje has imagined spaces that play on the contrasts between angular and rounded shapes, rough textures and soft colours. In an environment with warm tones and natural materials, Maje has chosen to manufacture fewer furniture items and favour vintage furniture to encourage more responsible consumption.

The following table shows the breakdown of Maje brand points of sale as at December 31, 2024:

Total number of points of sale		Total number of points of sale	
France	133	Mainland China	74
Spain	35	South Korea	61
United Kingdom	20	Australia	16
Germany	18	Hong Kong SAR	12
Switzerland	18	Taiwan	8
Netherlands	12	Vietnam	6
Turkey	12	Thailand	5
Italy	12	Other Asian markets	10
United Arab Emirates	8	Total APAC	192
Ireland	7	United States	67
Belgium	6	Mexico	15
Portugal	6	Canada	14
Greece	6	Total America	96
Other EMEA markets	40	TOTAL	621
Total EMEA	200		

1.2.1.3 CLAUDIE PIERLOT

Claudie Pierlot, a Parisian designer and stylist born in 1947, created the eponymous brand in 1984. The Claudie Pierlot business was acquired in 2009.

Style and target profile

Claudie Pierlot's style, true to the sparkling spirit of its creator, expresses itself through simple yet assertive silhouettes, with an impeccable look that defines the modern, natural and confident Parisian woman. From parties to travel, the brand takes the customer into an uninhibited universe, free from the codes of fashion.

Product offering

From trench coats to babydoll dresses, sailor tops or new workwear, Claudie Pierlot offers a Parisian wardrobe full of timeless fashion twists. A range of accessories, leather goods, jewels and shoes complete the silhouette and boyish style of this free and independent woman. The brand's Claudie Cares commits to two main causes: responsible fashion that respects the planet, and empowering women and promoting inclusion and diversity in society.

In addition to its permanent collections, the brand also engages in one-off collaborations, such as a capsule with the American giant New Era in 2022 or a sportswear capsule in 2024 with the Circle brand.

[1] The brand's points of sale include directly-operated and partner-operated stores, concessions, outlets and online platforms.

Geographic locations

As of December 31, 2024, the brand had 209 points of sale⁽¹⁾ in 17 countries, including 114 in France and 95 outside France. Like the Sandro and Maje brands, the Claudie Pierlot points of sale are located in the capital cities and major cities of the countries in which it operates.

The following table shows the breakdown of Claudie Pierlot brand points of sale as at December 31, 2024:

	Total number of points of sale
France	114
Spain	16
Germany	12
United Kingdom	9
Switzerland	8
Italy	8
Portugal	6
Ireland	5
Other EMEA markets	7
Total EMEA	73

The Claudie Pierlot brand points of sale follow an eco-design approach. True to the brand's free and Parisian spirit, the Claudie Pierlot boutique helps to create an intimate atmosphere, that showcases the collections and celebrates a Parisian fashion dear to the brand. Materials, lighting and other technical details are chosen with a very present CSR focus.

	Total number of points of sale
South Korea	14
Mainland China	1
Hong Kong SAR	1
Total APAC	16
Mexico	6
Total America	6
TOTAL	209

1.2.1.4 FURSAC

Created in 1973 by the Laufer brothers, who established their first workshops in Saint-Pierre-de-Fursac, the brand expanded in the early 1980s and launched its first major advertising campaigns under the name *M. De Fursac*. In 1990, it was acquired by Edmond Cohen and opened its first Parisian store at 112, rue de Richelieu in the 2nd arrondissement in 1992. The brand fine-tuned, modernised and shortened its name a decade later in 2003. The De Fursac brand, acquired by SMCP in September 2019, is today one of the French leaders in accessible luxury goods for men. Gauthier Borsarello was appointed Artistic Director in January 2021. De Fursac would now be called Fursac, with the change of name marking a new era for the brand.

Since the Group acquired it, Fursac has enhanced the development of its casual wear offering. The network of stores has started to expand internationally to countries close to France (Switzerland, Belgium, Luxembourg, the United Kingdom, Germany and Spain). In addition, since 2022, the brand has been included in the Men's Paris Fashion Week calendar.

Style and target profile

Fursac is aimed at a generally young and urban male clientele, who express their elegance through clothing. The brand enjoys a unique positioning in the accessible luxury segment for men, blending tailoring heritage with French elegance and timelessness. Fursac offers a wardrobe that gives men the ability to dress in a distinctive style.

Product offering

Fursac is a benchmark menswear brand in the accessible luxury segment. The brand has successfully developed a complete menswear offer, ranging from urban casual and tailoring through evening wear. The brand's flagship products go beyond suits to

include outerwear, knitwear and shirts. Fursac has also launched several capsules with other brands, such as Mephisto in 2024.

Geographic locations

As at December 31, 2024, the brand had 77 points of sale⁽¹⁾ in 8 countries, of which 59 are located in France.

The points of sale of the Fursac brand are characterised by an aesthetic concept based on a palette of bright tones, airy space, and a choice of materials (woodwork, mirrored panelling) that focuses attention on the clothing and accessories. With their windows open to the street and their mosaics, the stores are reminiscent of the Parisian heritage of the Grands Boulevards.

The following table shows the breakdown of Fursac brand points of sale by country as at December 31, 2024:

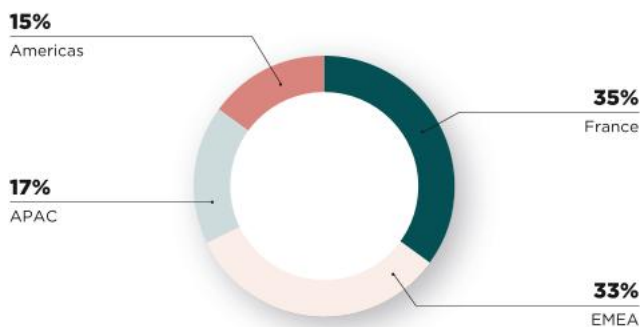
Country	Total number of points of sale
France	59
Switzerland	5
United Kingdom	3
Germany	3
Luxembourg	2
Spain	2
Belgium	1
Other	1
Total EMEA	17
South Korea	1
Total APAC	1
TOTAL	77

(1) The brand's points of sale include directly-operated and partner-operated stores, concessions, outlets and online platforms.

1.2.2 Geographic footprint

In recent years, the Group has established itself in the major world fashion capitals, and has extended its presence outside its home country of France, particularly in the following areas:

- **EMEA** (33% of 2024 revenue): the Group, which has 536 points of sale at the end of 2024 (including partnerships), has successfully conquered new markets in recent years. In 2024, the Group's network of points of sale decreased, in particular with the optimisation of the Claudie Pierlot network (12 net closures in 2024, out of around 30 planned in the medium term) and with the closure of a few small points of sale (mainly "corners" in department stores);
- **APAC** (17% of 2024 revenue): the Group has 427 points of sale at the end of 2024, with a large presence in Mainland China (150 points of sale) and South Korea (154 points of sale). In 2024, the Group's network of points of sale was optimised, in particular in Mainland China (65 closures), a decrease partly offset by the opening of new countries through partners (Indonesia);
- **America** (15% of 2024 revenue) where it has been present since 2011 (226 points of sale as of December 31, 2024, including partnerships). In 2024, the Group opened 11 points of sale.



The Group operates on the basis of its ability to identify and negotiate sought-after locations and on a vertical distribution model, characterised by a combination of points of sale located in popular areas and concessions with privileged positions in prestigious department stores.

Between 2015 and 2019, the Group extended its points of sale network rapidly and efficiently, with 120 net store openings per year, on average, excluding Fursac and including partner points of sale. In 2020, in a context marked by the Covid-19 pandemic, the Group decided to reduce its investments, particularly by limiting its openings. In 2021 and 2022, the Group stabilised its points of sale network, firstly through net openings of points of sale focused on Asia, and secondly, in line with its strategic plan, by completing the improvement of its physical store network in France (primarily linked to the end of the Suite 341 concept). In 2023, the stores in Australia and New Zealand were included in its own network, and the partner points of sale in Russia (which had no longer been supplied since February 2022) were permanently closed. In 2024, the Group implemented an action plan to optimise the store network in Mainland China by closing the least profitable points of sale (65 closures) and for Claudie Pierlot in Europe (around 30 closures in the medium term). At the same time, the Group increased the number of partner operated stores (12 openings) with openings in new countries such as Indonesia and Uzbekistan.

For the coming years, the Group intends to pursue steady and balanced growth, both geographically, and on the various distribution channels (directly operated physical stores, e-commerce and partner operated stores). The Group maintains strong discipline in the expansion of its network by imposing strict return on investment requirements for the new points of sale.

To guarantee the flexibility and scalability of its retail model, the Group has developed a standardised model of points of sale for each brand, used primarily for directly operated stores and concessions in department stores. From time to time, the Group relies on strategic partnerships for the successful roll-out of its brands in new markets, while ensuring an identity that is consistent with the rest of its network (see paragraph 1.2.5.6 "Partner points of sale").

1.2.3 Product development

The Group designs all its new collections in-house, thanks to five independent design teams located in Paris, each focused on their respective brand (Sandro Femme, Sandro Homme, Maje, Claudie Pierlot and Fursac). For instance, the Sandro Femme creative team is led by Ms. Évelyne Chétrite (the brand's founder) and assisted by a team of stylists, a pattern making and modelling workshop and designers dedicated to accessories.

The design process begins with a drawing (manual, then electronic) of the models. The teams then choose the materials for products (which must be aligned with the margin objectives and CSR requirements set for each collection) and create the patterns and prototypes when the product characteristics have been finalised.

The Group uses an independent design process for each of its brands to maintain their identity and make them easily recognisable to customers. It seeks to maintain the independence of each of its brands to reduce its exposure to change fashion trends and avoid any dependency on specific products.

When creating a new collection, the Group's focus is on creating the designs that it believes consumers expect. The Group's designers analyse existing market trends to incorporate them into its collections.

In addition, the Group adopts a structured approach for the development of its collections and conducts a detailed analysis of the success of previous collections, so it can identify the products most appreciated by its customers.

Purchasing and work on the structure of the collections

A collection plan is prepared every season, describing the context of the collection, the product launch timetable and the price and positioning strategy. Each collection is designed on the basis of current trends (including colours, techniques and apparel shown on the catwalks during fashion shows). The quantities to be manufactured are adjusted throughout the season so that the most successful products are reordered for rapid restocking in the largest quantities to maximise sales.

The Group sets up two collections for each brand per year (spring/summer and autumn/winter), each with several new arrivals (generally 8 to 10 waves per collection). The Group also sets up several "capsule" collections⁽¹⁾ per year, developed in partnership with other brands, artists or artistic directors. That enables the Group to ensure that its product range is renewed frequently and remains appealing and attractive to customers. As a result, new products are regularly marketed at the Group's points of sale.

Sourcing

The Group does not have its own production capacity and outsources the manufacture of its products from third-party manufacturers that it carefully selects. In some cases, the Group provides manufacturers with a portion of the raw materials and other supplies for their use (cut-and-sew goods). The Group relies on two types of production; in 2024, slightly over one-third of its products were cut-and-sew products, for which it purchases the fabrics (including cotton, leather, wool, silk, polyester and viscose) and outsources their production to manufacturers. The remainder are finished products, that it buys directly from its portfolio of manufacturers, with the Group still retaining the design and control over the products.

The Group's supply network includes strategically located suppliers in close geographical proximity and relies on a diverse and responsive supplier base. The Group's shared services platform contributes to economies of scale.

The Group's sourcing and production are relatively balanced between, on one hand, Europe and the Mediterranean region, mainly France, Italy, Spain, Portugal, Tunisia, Turkey and Eastern Europe, and, on the other, Asia, mainly Mainland China, Vietnam and India.

The Group is attentive to diversifying the geographical location of its suppliers to limit its exposure to inflation and currency fluctuations (in particular in Vietnam, Bulgaria and Turkey). It is committed to ensuring short production and delivery lead times to maintain the flexibility of its supply chain. In addition, outsourcing means that the Group can focus on its core business, and the close collaboration it maintains with its longstanding suppliers allows it to retain full control over the manufacturing process.

Raw materials are ordered by the Group in advance. The risk of excess stock is limited, since the fabrics can generally be used for several products and again in future collections.

The Group has a sustainable and diverse supplier base in several countries to minimise its procurement dependency and reduce the risk of potential disruptions. For example, the Group's ten leading suppliers (finished products, cut-and-sew products) represent in general around 40% of the Group's purchases. As part of the action plans launched in 2024, and more generally to benefit from the best conditions, the Group is working to optimise the network, in particular by concentrating purchasing volumes from suppliers that offer the best combination of quality, price, delivery times and CSR. In 2024, 59% of production purchases were made from suppliers with more than 10 years of service.

Charters and codes of conduct covering ethical, social and environmental matters are agreed with suppliers and manufacturers. The commercial and legal nature of the relationship varies from supplier to supplier, but in general they are based on principles of close cooperation which promote and maintain a rapid production and design cycle. Payment for suppliers' orders is made throughout the year, but mainly in October and November for the Spring/Summer collections of the following year and in April and May for the autumn/winter collections.

⁽¹⁾ The capsule collections comprise a limited number of products marketed over a shorter period than the seasonal collections.

The Group strives to optimise the length of the production cycle, between the design and marketing of its products. This varies according to the type of product and the country of manufacture, and may be impacted by certain external events. Thus, recently, difficulties in ready-to-wear industry procurement have led to greater planning of procurement processes, to secure purchases in order to maximise sales potential. For greater agility, the Group orders a limited and adapted number of each product at the beginning of the season when the collection is introduced to limit the risk of excess inventories. After analysing the performance of the products established in the various distribution channels, additional orders are placed for the best SKUs, thereby optimising sales.

The Group's IT systems enable it to monitor the performance of its collections in real time and thus order only the best-selling items in order to maximise sales. The Group "pre-books" supplier capacity to ensure that they can rapidly fulfil new orders for top-selling items. This "pre-booking" system also means the Group can determine what needs to be manufactured just prior to launch of the collections, taking account of anticipated demand and developing

trends. The short production cycle means the Group can respond rapidly to changing trends and consumer preferences and to initial sales results.

Finally, Group procurement and purchasing is managed by dedicated teams for each brand.

Quality control

Group employees regularly carry out strict inspections of the patterns for each product and final inspections prior to dispatch to the warehouse. Historically, the percentage of defective products is low. When the Group identifies a defective product prior to delivery to the distribution centres, it demands reimbursement from suppliers. However, the Group bears the cost of any customer returns.

The Group has also set up a Product Life Cycle Management tool. This is a collaborative tool using a single data repository and an iterative process for managing the product from its creation to sale. This tool, which guides product development, improves time-to-market, quality and compliance.

1.2.4 Brand image, communication and marketing

1.2.4.1 A LUXURY IMAGE STRATEGY

The image of the Group's brands is primarily maintained by its points of sale. Indeed, their location, the ambiance created notably by the attention paid to layouts and lighting, and the expertise of the sales assistants help to create a unique image specific to the luxury sector (see sections 1.2.5 and 1.2.6). In addition, the luxury image of the Group's creations is also highlighted by high-end image campaigns which publish photos, videos and other content produced by renowned photographers or artistic directors using famous models, all also working for luxury brands.

1.2.4.2 360-DEGREE COMMUNICATION CAMPAIGNS

The Group considers that its points of sale are its main resource for communicating with consumers. As such, it ensures that its points of sale are located in premier locations and managed as luxury boutiques, particularly the window displays, which are changed every two to three weeks. In addition, the Group organises high-end events at its points of sale, such as evening receptions for its best customers when new collections are launched.

The Group's communication strategy is primarily digital. The Group uses social networks such as Instagram, TikTok, Snapchat, Facebook, Pinterest, WeChat, Weibo, Douyin, Little Red Book and YouTube, and its presence on the internet (in particular through its online sales sites) to disseminate its advertising campaigns and content in various formats.

To a lesser extent, SMCP continues to run its advertising campaigns through posters in public spaces.

Teams in charge of communication and marketing

Each brand has dedicated teams in charge of communication and marketing operations, and CRM and digital marketing operations. The marketing teams for each brand also use the services of third-party agencies.

1.2.4.3 CRM AND CUSTOMER PROXIMITY

The Group seeks to ensure an ongoing dialogue with and real proximity to customers by leveraging its advanced customer relationship management (CRM) system. These tools helped to set up a multi-channel customer data base unique to all of the Group's brands (excluding Fursac) which includes more than 3.3 million active European customers. This enables it to launch targeted and regular communication campaigns through e-mail or mobile phone (SMS) in order to develop a relationship with its customers and increase their loyalty. The Group implements effective and targeted communication based on the segmentation of its customers. On each brand's website, the Group also offers customers the option to sign up to newsletters, enabling them to engage with the brand and keep up with its news. Customers can also receive invitations to exclusive offers or events, private sales and previews.

The Group has segmented its customers according to the amount and frequency of purchases made for each brand, and some brands have set up loyalty programmes designed to develop customer loyalty. The brands' communication with their customers aims to use these tools to become increasingly targeted and effective.

1.2.5 Distribution

The Group's distribution network is organised around four main distribution channels:

- free-standing stores (including affiliates and outlets);
- concessions (mainly "corners" in department stores);
- e-commerce platforms;
- partnerships.

The Group emphasises development based on a directly operated distribution network to retain close control over product quality and protect the image of its brands; partnerships and affiliations are used only when necessary to make use of a local partner to obtain attractive locations or due to applicable local regulations.

The Group follows a medium-term international development plan targeting the cities where it wishes to establish a presence according to the competition, local market and consumer base. The Group also prepares an estimate of the potential sales achievable by these points of sale, inspects the premises and sets profitability criteria for potential new points of sale. The decision to invest in opening a new point of sale is then adopted by a committee headed by the Group Chief Executive Officer.

Following its decision to invest, the Group is able to open a new point of sale within an average lead time of two months between signature of the lease and opening to customers.

The Group's margins also vary according to the channels through which it sells its products and rents. For example, the rental costs of stores leased outside of France are generally higher given the absence of key money (i.e. upfront payments to landlords or former tenants to secure premium rental properties).

1.2.5.1 FREE-STANDING STORES

As of December 31, 2024, the Group had 451 directly operated free-standing stores (i.e. 42 fewer than at the end of 2023), including 105 in the EMEA region, 186 in France, 44 in America and 116 in Asia. For the 2024 financial year, 30% of the Group's revenue was generated by directly operated free-standing stores.

Description of a typical store

The average size of a Group store varies between 50 to 160 square metres. Sandro stores, which display both Women's and Men's collections, are on average larger than stores for the other brands. Claudie Pierlot and Fursac stores are often smaller than Sandro and Maje, as these two brands have fewer SKUs in their collection plans than Sandro and Maje (for example, in ready-to-wear, Fursac has 200 to 250 SKUs and Claudie Pierlot has 330 to 380, compared to 400 to 450 at Sandro Femme and Maje) and therefore, the linear surface requirement for presenting their full collection in a store is smaller.

The relatively compact size of Group stores creates an intimate ambiance appropriate for luxury boutiques with a sales force calibrated for each store according to size and footfall. The Group also strives to maintain a separate universe for each of its brands, to emphasise their individual identities and create a unique style in the mind of the customer. Store characteristics are defined at Group level and rolled out throughout the network with a view to achieving consistent presentation and customer experience.

The store concepts developed by each brand are constantly evolving and adapting, to serve an ever more qualitative customer experience, and are intended to be gradually rolled out in all network stores as new openings and renovations take place.

Main characteristics of leases

The term of the leases for Group stores generally varies from three to ten years. In France, the usual term is nine years, with the option for the parties to terminate the agreement prematurely on expiry of each three-year period. Often, the lease contracts prohibit sub-letting and exclude the use of premises for any business activity other than the sale of apparel and accessories. In the United States, the term of lease contracts is generally ten years, whereas in Asia it is three years.

Average rents are generally fixed by the parties upon signature of the lease and the clauses in the agreement mostly provide the option of an annual increase. In France, for example, the increase is based on the INSEE construction cost index or the commercial rents index. A proportion of the leases provides for variable rents according to the revenue generated in the store. An entry fee can also be payable to the landlord when opening new retail stores and an assignment price may be paid by the Group to the previous tenant for assignment of the right to a lease or assignment of a business in countries such as France and Spain.

The following table shows the geographical breakdown of the free-standing stores as of December 31, 2024:

	Sandro	Maje	Claudie Pierlot	Fursac	Total
Total France	60	56	49	21	186
Spain	8	10	3	1	22
United Kingdom	8	8	3	1	20
Portugal	4	4	4	-	12
Belgium	3	5	2	1	11
Switzerland	4	4	2	1	11
Germany	4	4	1	1	10
Italy	4	4	1	0	9
Other	4	4	1	0	10
Total EMEA	39	43	17	6	105
Mainland China	36	38	-	-	74
Hong Kong SAR	8	8	-	-	16
Australia	4	3	-	-	7
Singapore	3	3	-	-	6
Macao SAR	3	2	-	-	5
New Zealand	2	2	-	-	4
Malaysia	2	2	-	-	4
Total APAC	58	38	-	-	116
United States	18	16	-	-	34
Canada	5	5	-	-	10
Total America	23	21	-	-	44
TOTAL	180	178	66	27	451

1.2.5.2 CONCESSIONS

As at December 31, 2024, the Group had 550 directly operated concessions, including 191 in the EMEA region, 179 in France, 100 in America and 80 in Asia. These concessions are the Group's spaces in department stores.

The choice of locations for concessions is guided by the Group's desire to protect the luxury image of its brands. Thus, the Group has opened concessions in some of the most prestigious and popular department stores in France, the United Kingdom, Spain, Italy, Switzerland, the United States, and in well-known malls in China.

As with the location of the Group's free-standing stores, the cities where concessions are located are generally recognised as dynamic and attractive fashion centres. In 2024, 31% of the Group's revenue was generated through concessions.

Description of a typical concession

The average size of a department store concession is approximately 60 square metres. The sales areas are generally located in department stores offering luxury ready-to-wear products and benefit from a large number of passing customers, particularly tourists. The number of employees present is determined according to the size and prominence of the sales area. As with its free-standing stores, the Group maintains a high level of control over its concessions, particularly with regard to the recruitment of employees, who are employees of the Group and not of the department store, and the choice of decoration and furnishings to recreate an atmosphere similar to that of the free-standing stores.

Operation of concessions

The term of concession contracts varies from one country to another. Some contracts do not provide for a minimum term, while others impose a maximum term of four years. These contracts may generally be cancelled at any time by either party subject to reasonable prior notice.

The concession contracts provide for payment of a fee which is generally set according to the sales achieved. Some contracts provide for a minimal fee for a specific period which may be revised each year. On the basis of the concession contracts concluded by the Group, concession fees vary according to the country and the department store where the concession is located. The revenue generated is collected directly by the department store, which transfers it to the Group each month, net of the fee.

The concession contracts generally provide that the Group will control the organisation of inventories and the supply and range of products. In addition, the contracts also provide that inventories of unsold items must be collected at the end of each season by the Group, which retains ownership over them.

The sale of products through concessions offers high operating flexibility for the Group, particularly in view of the mainly variable operating costs.

The following table shows the geographical breakdown of the Group's concessions as of December 31, 2024:

	Sandro	Maje	Claudie Pierlot	Fursac	Total
France	74	40	39	26	179
Spain	20	16	8	1	45
Germany	16	8	7	2	33
Switzerland	11	10	3	2	26
Italy	10	5	5	-	20
United Kingdom	10	6	2	1	19
Netherlands	10	7	-	-	17
Ireland	4	4	3	-	11
Portugal	3	2	2	-	7
Other	7	3	2	1	13
Total EMEA	91	61	32	7	191
Mainland China	21	19	-	-	40
Australia	10	9	-	-	19
Taiwan	8	8	-	-	16
Singapore	2	1	-	-	3
Hong Kong SAR	1	1	-	-	2
Total APAC	42	38	-	-	80
United States	53	37	-	-	90
Canada	5	5	-	-	10
Total America	58	42	-	-	100
TOTAL	265	181	71	33	550

1.2.5.3 E-COMMERCE PLATFORMS

E-commerce represents a significant proportion of the Group's sales and is also a marketing tool for developing awareness of its brands in France and internationally. In 2024, the Group's had €239 million in online sales, representing a digital penetration of 20%. This is lower than 2020 and 2021, during which many physical stores were closed against the backdrop of the pandemic, but far higher than 2019 (15% of sales). As at December 31, 2024, the Group's products were being sold *via* 122 directly operated online platforms, and 66 partner operated platforms.

On the internet, Group products are distributed through its own websites (e-shops) and *via* third-party e-commerce platforms, including department store websites (e-concessions). As at December 31, 2024, 44% of e-commerce revenue came through directly operated websites, 39% *via* e-concessions and 17% through wholesale (pure players or partners).

The Group's e-shops (*Direct to Consumer*)

The Group operates websites dedicated to each of its brands. Sandro and Maje have dedicated websites in France, the United Kingdom, Spain, Ireland, Italy, Germany, Switzerland, the United States, Canada, Mainland China, Hong Kong SAR and Australia. Maje also has a website in Belgium and Sandro in the Netherlands. Claudie Pierlot has a website in France, Belgium, Germany, the United Kingdom, Spain, Switzerland, Mainland China and Hong Kong SAR. Lastly, Fursac has a website in France, Switzerland and the United Kingdom. The Group continues to enhance the consumer experience in its e-shops, notably *via* services such as the instant chat system with an advisor, mobile access to e-shops, an improved payment process and the pre-order system. Against the backdrop of the Covid-19 pandemic, SMCP continued to develop new omnichannel services in Europe such as ship-from-store for Sandro, Maje and Claudie Pierlot, e-reservation, virtual shopping and the click & collect, and is preparing to roll them out in America and Asia. In addition, the Group accelerated its responsible momentum with the launch of second hand and rental service at Sandro and Maje.

Third-party e-commerce platforms

In addition, the Group sells its products on recognised third-party e-commerce platforms such as "bloomingdales.com", "farfetch.com", "galerielafayette.com", "elcorteingles.com", "selfridges.com", "debijenkorf.com" and "tmall.com". These platforms are selected by the Group according to its commercial strategy; they include the e-commerce platforms of department stores or other third-party platforms specialising in high-end ready-to-wear apparel and accessories.

Third-party e-commerce platforms are generally free to manage their own websites and arrange for their own publishing, hosting and website management, provided that they respect the image of the branded products and list them. With a view to optimising its partnerships, the Group constantly co-develops action plans aimed at highlighting certain key products and promoting the highest standards of customer experience. Other services provided by the platforms specifically include the preparation and shipping of customer orders if this is not done by SMCP.

The price of the product is collected by the third-party electronic platform on behalf of the Group. The e-commerce platform charges commissions for its services. Some contracts also provide for additional contributions for the promotion of the Group's brands or marketing investment.

1.2.5.4 AFFILIATES

Affiliates form part of the Group's distribution network in France and are mainly located in medium-sized French towns where the Group does not have free-standing stores or concessions. The Group also uses affiliates in Spain. As of December 31, 2024, the Group had 57 affiliates.

The affiliated retail stores are operated by independent merchants who own their own business, under commission and affiliation agreements. The affiliates recruit their own staff, but the retail stores of Group affiliates are managed under the brand names and have the same features and ambiance as the Group's other points of sale. The affiliated retail stores must follow a concept book which sets out the requirements for furnishing and the appearance specific to each Group brand. Although the staff and leasing costs are paid by the affiliates, the Group retains ownership of the merchandise sold through this distribution channel. Finally, affiliates' staff can take advantage of training offered to Group employees at the SMCP School.

Agreements concluded by the Group with its affiliates provide for commission payments to affiliates based on a percentage of revenue, excluding tax. Income from sales is transferred from the affiliate's bank account twice a month, net of commission. From time to time, the Group may decide to acquire a business managed by one of its affiliates. For the financial year ended December 31, 2024, around 2% of the Group's revenue was generated with affiliates.

1.2.5.5 OUTLETS

In addition to its free-standing stores, concessions, online sales and sales *via* its affiliates, the Group also sells off unsold inventories in a limited number of outlets (113 outlets as of December 31, 2024) situated in premium sales locations in France, Spain, Switzerland, Italy, the United Kingdom, China and the United States. 13% of the Group's revenue was generated by outlets in 2024.

1.2.5.6 PARTNER POINTS OF SALE (PARTNERED RETAIL)

The Group also has a partnered retail distribution channel (partner-operated stores) mainly for specific regions. In 2024, this distribution channel accounted for around 9% of Group revenue, of which 38% was generated through online platforms operated by partners. This channel allows the Group to gain access with limited risk to new markets and countries where the size of the market does not justify directly-operated operations. This operating method allows it to sell its products in countries where it would be very difficult, if not impossible, less efficient or less profitable to manage its own distribution network due to local legislation.

The Group selects its local partners with care to ensure the consistency of local distribution with its strategy and brand image, particularly through the implementation of the concept book. For example, it ensures its partners adopt a presentation for retail stores and corners that is identical to its directly operated stores. The Group routinely performs visits to partner points of sale sites to ensure compliance with its concept. It also benefits from strong relationships with its partners. Partnership agreements are distribution contracts which are generally entered into for a period of three to five years, during which the Group grants the partner exclusive rights to distribute its products.

The local partner is an independent merchant, responsible for its personnel, rent payments and negotiation of the lease for its points of sale or concession contract (in the case of department store concessions). The local partner is also responsible for its own procurement and purchases; the purchased merchandise becomes its own property and the partner must resell the products in a store that has the same commercial signage and appearance as those of the Group's brands, such that the final customer cannot see the difference between a directly operated store or concession and a store or concession managed by a partner. In addition, partners may sell unsold items in their own outlets with the Group's prior approval.

In some cases, the Group has acquired its brand distribution networks from its partners, as it did in Hong Kong SAR in 2014 and in Australia and New Zealand in January 2023.

In 2024, 12 partner-operated stores were opened (net) worldwide, notably in Mexico (5) and Thailand (5).

The following table shows the geographical breakdown of the Group's locally partnered stores by brand as at December 31, 2024:

	Sandro	Maje	Claudie Pierlot	Fursac	Total
Turkey	14	12	-	-	26
United Arab Emirates	8	8	-	-	16
Greece	7	6	-	-	13
Egypt	7	4	-	-	11
Ukraine	4	5	-	-	9
Lebanon	4	4	-	-	8
Malta	4	3	-	-	7
Saudi Arabia	3	3	-	-	6
Germany	2	2	2	-	6
United Kingdom	2	2	1	-	5
Kuwait	3	2	-	-	5
Lithuania	3	2	-	-	5
Other	12	11	1	-	24
Total EMEA	73	64	4	-	141
South Korea	78	61	14	1	154
Thailand	8	5	-	-	13
Vietnam	6	6	-	-	12
Indonesia	1	-	-	-	1
Total APAC	93	72	14	1	180
Mexico	19	15	6	-	40
United States	2	2	-	-	4
Canada	4	-	-	-	4
Total America	25	17	6	-	48
TOTAL	191	153	24	1	369

1.2.6 Sales force

The Group pays particular attention to the know-how of its sales assistants. It has introduced within each brand, and also within its free-standing stores located in Asia and North America, a local Sales management structure supported by regional directors, each with responsibility for up to 15 points of sale, sometimes assisted by back-up organisers. This organisation allows for more frequent visits and more time spent in these significant points of sale. In

addition, since 2013, the Group has implemented a training programme for the integration of its new sales teams, as well as for the development of talent and the creation of new Brand ambassadors. This two-week programme for new sales assistants aims to train staff in sales techniques, customer assistance and to improve the financial results of the points of sale.

1.2.7 Logistics organisation

1.2.7.1 IT SYSTEMS

The Group has set up an IT architecture that is adapted to the development and production of its collections, management of an integrated network of stores and its partners and covers all of its points of sale, including e-commerce and international activities. This architecture is based on some of the best software on the market.

This system is based on Group Retail ERP (Enterprise Resource Planning) software, covering most functional areas, common to all brands and all geographical areas in which the Group operates, providing a single point of sale solution, a single e-commerce development platform and a central logistics management solution. The Group has an expanded IT team located at the Group's headquarters and internationally, in charge of managing projects and ensuring the development and maintenance of its IT applications and infrastructure. Over the past few years, the investments made include rolling out a new Finance tool with Oracle Financial Cloud, implementing an OMS (Order Management System) to strengthen omnichannel operations (including

the roll-out of ship from store functions], the launch of the Demand Planning project and the alignment of Fursac's main information systems with those of the Group.

Significant infrastructure projects have also been carried out to strengthen the security of the environments and the resilience of the infrastructure, in particular with the gradual deployment of the Group's entire infrastructure on the Cloud.

Points of sale use this architecture to forward information on products sold and customer segmentation, allowing the Group to benchmark its points of sale and, together with its logistics network, manage the rapid restocking of its points of sale. In addition, the information sent via its IT system allows the Group to identify its best customers and make adjustments in product design on the basis of sales results.

1.2.7.2 IN-HOUSE LOGISTICS

The Group's central logistics centre is used by all four brands Sandro, Maje, Claudie Pierlot and Fursac and serves all points of sale, directly or indirectly, *via* satellite logistics centres located in the United States, Mainland China and Hong Kong. A team of around 140 employees is dedicated to logistics and supplying the Group's distribution network.

Since November 2015, the Group's central storage complex for France and international has two main sites, managed directly and close to Paris-Charles-de-Gaulle airport:

- 30,000 square metres in Marly-la-Ville;
- 24,000 square metres in Vémars.

This organisation ensures an optimised customer service quality, especially for omnichannel sales and provides additional available sites in case of force majeure.

For its United States business, the Group subcontracts product procurement *via* a warehouse located in New Jersey and managed by a third-party company. This warehouse has a surface area of 18,000 square metres (partly used by the Group) and serves the entire North American market.

The Group also subcontracts product procurement for its points of sale in Mainland China, organised through a warehouse with a total surface area of 7,200 square metres (partly used by the Group), located in Shanghai. A third-party service provider handles e-commerce logistics in Mainland China. Since February 2018, the Group has also opened a warehouse in Hong Kong SAR with a surface area of approximately 2,500 square metres that supplies the Asian region (including Hong Kong SAR, Macao SAR, Singapore and Taiwan) except for Mainland China.

The warehouses allow the Group to limit inventory and storage requirements at each of its points of sale. The IT systems established by the Group link the points of sale to its warehouses so that when a product category needs restocking, the information is forwarded to the warehouse and the product category is generally back on sale three days later for points of sale located in Europe, four days later for points of sale in America and around ten days later for points of sale in the APAC region. This restocking model means the Group can ensure that only the best-selling products are reordered, thereby maximising sales, optimising its working capital requirement and reducing inventory-related risks.

1.2.7.3 EXTERNAL SERVICE PROVIDERS

The Group subcontracts the air and road transport of its products from its warehouses to other warehouses or points of sale using common service providers for the main brands shipped. In general, the Group is responsible for inner and outer packaging and labelling of its products, and the carriers are responsible for transportation, including organisation and for the execution of ancillary services.

The Group's distribution and other logistics costs are recorded as part of "Other operating expenses" in its consolidated income statement.

1.2.8 A unique in-store customer experience

Stores form the Group's first communication channel. The Group maintains a distinct universe and sales environment for each of its brands. The Group has established a fully-assisted sales model, offering customers a personalised service and a luxury-like shopping experience.

With typically only one size per item on display in stores, the Group places an emphasis on personalised advice rather than self-service. The number of salespeople in each store is calibrated based on target store sales and store size to ensure optimal customer service.

1.3 The market of ready-to-wear and accessories

1.3.1 A large global market⁽¹⁾

SMCP has a real ability to attract consumers across all segments of the ready-to-wear and accessories market. The Group's unique positioning makes it possible to capture the customer base from the luxury, accessible luxury and mass market segments by responding to the new consumer trends that characterise the ready-to-wear clothes and accessories market.

The global accessible luxury market segment (ready-to-wear and accessories) is an important segment that has experienced continuous growth for more than ten years (including +6% CAGR between 2010 and 2019). In 2019, this segment represented €117 billion, an increase of 4.5% compared to 2018.

Ready-to-wear represented around €66 billion in 2019 (55% of the global accessible luxury segment) and accessories accounted for around €51 billion, i.e. 45% of the global accessible luxury segment.

It covers both mature and emerging economies, with key markets such as America (36% of the global segment in 2020), Western Europe (28% of the global segment in 2020) and Asia-Pacific (33% of

the global segment in 2020), particularly China (16% of the global segment in 2020).

The share of this market segment intended for male customers represented €32 billion in 2019, i.e. 27% of the segment with an average growth rate (CAGR) of +3.7% between 2015 and 2019.

In 2020, the Covid-19 pandemic significantly impacted the global luxury and accessible luxury goods market segments, causing the sharpest contraction ever recorded in the last 30 years. In 2020, the total revenue of the accessible luxury market segment declined for the first time since 2010 by 24% to €89 billion. 2021 was marked by the recovery of this segment, up 19% compared to 2020 to reach €106 billion, and down 9% compared to 2019. 2022 marked a return to pre-pandemic sales levels.

In 2023 and 2024, global market conditions have deteriorated, particularly in connection with geopolitical tensions, the increase in interest rates and high inflation impacting demand. Against this backdrop, growth in the global luxury and accessible luxury goods market segments was less sustained than in 2022.

1.3.2 Growth of the sector impacted by the macro-economic environment

1.3.2.1 A NUMBER OF MACRO-ECONOMIC FACTORS IMPACTING MARKET GROWTH

The strong growth of the ready-to-wear and accessories market in recent years slowed down in 2023 and 2024, due to adverse market conditions which had a strong impact on consumer demand.

Indeed, consumer spending on ready-to-wear and accessories was strongly affected by inflationary pressures, particularly in the second half of 2023. In addition, geopolitical tensions in the various operational regions impacted consumer spending and confidence.

⁽¹⁾ The information, contained in this paragraph relating to markets and market segments, and particularly their size and growth opportunities, is principally drawn on third-party sources and on the Group's own estimates.

1.3.2.2 A MARKET INFLUENCED BY FUNDAMENTAL CHANGES IN CONSUMER BEHAVIOURS

- **Responsible consumption** is the first trend to emerge clearly. Three topics are at the heart of consumer expectations: respect for the environment, animal protection and manufacturing ethics. The importance given to CSR values stems from the renewal of the consumer pool with a growing contribution from millennials and Generation Z.
- Consumers in the ready-to-wear and accessories market are increasingly favouring **mix and match**, wearing products belonging to very distinct price ranges. Indeed, the historic clientele of the luxury segment is seeking quality products at more attractive prices; combining, for example, a luxury brand handbag with an elegant Sandro dress. In addition, products of the Group's brands are also purchased by the mass-market customers for special occasions.
- Consumers are also increasingly adopting a "smart consumption" mindset for their clothing purchases, giving importance to factors such as the price of a product and its value per wear. This trend encourages affordable products that can be worn several times and over several seasons.
- Finally, consumers of ready-to-wear apparel and accessories are **permanently searching for new products** and prioritise the **omnichannel** experience as their purchases are strongly influenced by digital technology.

1.3.2.3 PROFOUND UPHEAVALS CAUSED BY THE COVID-19 PANDEMIC

The luxury and accessible luxury goods industry was confronted with an unprecedented situation, with the Covid-19 crisis, which forced it to adapt to this new context. This unique crisis was indeed accompanied by profound upheavals, intended to permanently change consumer behaviour. The pandemic has proven to be a major accelerator of temporary, but above all structural, changes destined to last:

- **digital acceleration** with a growing contribution from online shopping, which has an increasing influence on how we purchase items;
- **the contribution of Mainland China**, which posted very strong growth since its exit from the health crisis thanks to strong local demand. This growth has slowed down since 2022 due in particular to gloomy local economic conditions. The emergence of other regions such as India and South-East Asia is promising for the region; also the **contribution of the United States**, with a renewed appetite among American consumers for accessible luxury goods, and in particular a strong interest in European brands;
- **the emergence of a new generation of buyers**, which will radically condition the luxury and accessible luxury goods market segments in the coming years;
- **the acceleration of circular economy**, with the very strong development of rental and second-hand; new offers attracting and retaining the younger generations in search of meaning and circularity.

1.4 Group strengths and competitive advantages

1.4.1 Portfolio comprising complementary and desirable brands

1.4.1.1 COMPLEMENTARY BRANDS, OFFERING A STRONG AND DISTINCTIVE DNA

The Group's brands Sandro, Maje, Claudie Pierlot and Fursac are leading players on the ready-to-wear and accessories market, committed to providing customers with high-quality, on-trend products while maintaining attractive prices.

Each of the brands has a strong history (in 2024, 51 years for Fursac, 40 years for Claudie Pierlot and Sandro; 26 years for Maje), based on distinct values and codes as well as a unique expression and identity: relaxed elegance blended with effortless chic for Sandro; here and elsewhere feminine, free and emotional for Maje; timeless pieces with a uniquely Parisian identity for Claudie Pierlot; the "panache" of French spirit for Fursac.

These distinct identities make these brands complementary because each of them addresses a different consumer base. These four brands enable the Group to better penetrate a broad audience aged between 15 and 45 years. The expression of each brand, with its individual identity and codes, is consistently present across the communication strategy of each brand through the press, social networks, blogs and its store concepts, which are the Group's primary communication tools.

1.4.1.2 ON-TREND, HIGH-QUALITY PRODUCTS WITH GLOBAL APPEAL AT ATTRACTIVE PRICES

The Group has dedicated in-house design teams for each of its brands, who design all of the products the Group sells in its stores, under the supervision of their respective Artistic Directors. These creative teams identify the latest market trends and immerse themselves in "the spirit of the time". They reinterpret them through the codes and the specific identity of each of the brands: dresses, suits, outerwear (pea coats, down jackets, etc.), a casualwear collection, creative capsules with famous artists or brands, or upcycled materials for Sandro. At Maje, the combination of fluidity and structure, the use of lace and embroidery, knits and leather for an ultra-feminine silhouette. Tailoring, workwear dresses, a blend of femininity and boyish style, sailor tops and knitwear for Claudie Pierlot. Suits, outerwear (coats, down jackets, varsity jackets), and also evening wear for Fursac. In addition to the iconic product categories that are specific to each brand, the Group also aims to consistently imbue novelty in its collections, thereby adding an element of discovery to each store visit.

The Group also offers "capsule" collections in limited editions which are opportunities for collaborations with artists or to develop eco-responsible products.

The Group's products are high-quality and reveal a strong attention to detail and craftsmanship. The quality of the Group's products is the key element of its value proposition, as illustrated by their finishing touches and a mix of high-quality manufacturing and advanced assembly techniques, while also maintaining attractive prices and ensuring that the collections are profitable for the Group.

1.4.1.3 GLOBAL APPEAL SUPPORTED BY A LEADING PRESENCE IN FASHION CAPITALS

The Group has built a global presence across key international fashion cities, from Paris to Los Angeles, London, New York, Shanghai, Dubai and Milan, where its brands have strong appeal and benefit from the flow of global tourism. The Group's stores are often located in high-demand areas, or enjoy privileged positions in prestigious department stores such as Galeries Lafayette, Printemps, Le Bon Marché and la Samaritaine in France, Selfridges and Harrods in the United Kingdom, La Rinascente in Italy, El Corte Inglés in Spain, Globus in Switzerland, Bloomingdale's in the United States or in famous malls such as Shin Kong Place or MixC in Mainland China and the International Finance Center (IFC) and Harbour City in Hong Kong SAR.

The Group is firmly established in major capital cities and in 2024 generated 66% of its revenue internationally, compared to 59% in 2017. It intends to further increase its international presence over the next few years, with the aim of becoming one of the leaders in the ready-to-wear and accessories market in the accessible luxury segment. Abroad, the Group enjoys a very positive image.

The Group also benefits from key influencers (such as bloggers and VIPs) who spontaneously choose its products, building awareness. The best-selling products are generally consistent across the markets where the Group operates, illustrating the global appeal of the Group's brands. By way of illustration, around two-thirds of the best-selling products of Sandro Femme's collections are the same across the various geographic regions where the brand operates.

1.4.2 Competitive brands attracting consumers from all segments of the ready-to-wear and accessories market

The Group's brands occupy a central place in the ready-to-wear and accessories market. This is broken down into three categories:

- the luxury segment with groups such as LVMH, Kering and Moncler;
- the fast fashion segment with players such as Zara/Inditex or H&M; and

- the accessible luxury segment. The global players present in this segment include the American brands Theory, Tapestry (Coach and Kate Spade), Capri (Michael Kors), Hugo Boss in Germany and French brands such as Isabel Marant, Ba&sh, The Kooples, Zadig & Voltaire or IRO Paris.

The Group's position attracts consumers from all segments of the market.

1.4.3 A unique and proven operating model

The cornerstone of its business philosophy is a model in which the Group combines the codes of the luxury industry and the Direct to Consumer industry. The Group offers to its customers attributes associated with luxury, such as on-trend, high-quality products, high-end communication, premium store locations and a personalised shopping experience.

In addition, inspired by Direct to Consumer, the Group has established a short and reactive design-to-production cycle, with a continuous renewal of the products offered during the season and a proven retail model that can easily be rolled out internationally by the Group.

The Group is a retail "pure player" with a vertically-integrated and closely controlled distribution model (primarily through directly-operated points of sale).

1.4.3.1 THE GROUP FOLLOWS THE CODES OF THE LUXURY INDUSTRY

In-house creative studios fully internalised for every brand

The Group's in-house creative capabilities are led by independent Artistic Directors for each brand and are supported by talented, experienced teams of designers, stylists, model-makers and tailors based in their own studios located in Paris. Each brand has a complete collection creation and development team.

The creative process captures the spirit of the time, inspired by the trends, materials, colours and techniques of the moment, interpreted in the specific spirit and with the hand of each brand.

A high-end image through a dedicated communication strategy

The Group has adopted a strategy for its brands that projects a high-end image through communication campaigns calling on well-known photographers and models for each collection. Furthermore, the communication campaigns and content of each brand are presented on multiple media, including films, events and announcements, billboards, collaborations, advertisements in the press and digital initiatives.

With this in mind, the Group deploys its store concepts in every country in which it operates. The Group's points of sale are the principal communication tool for promoting its high-end image. Special in-store events allow the Group to ensure proximity to its clientele and enhance the customer's experience for each of its brands.

The same applies to the brand's websites that support its high-end communication standards and service and offers customers an enjoyable purchasing experience. The Group is placing an increased focus on digital communication, through initiatives such as targeted web advertising and online video campaigns, further supporting its brands' unique positioning. A strong presence on social media platforms and dedicated fashion websites also helps further consolidate awareness of the Group's brands and build the brand image.

A global footprint with high-quality locations

The Group has a global network comprising a total of 1,662 points of sale located in the largest fashion cities. The Group's brand stores are generally located in popular areas, and its concessions have privileged positions in prestigious department stores.

Enhanced customer experience through personalised service

The Group's network of stores enables customers to develop a strong personal connection with brands through personalised assistance that is cultivated by carefully selected and trained sales assistants that are passionate about fashion. The Group's visual merchandising strategy supports the brand narrative in their storytelling. To enhance this personal relationship, there is only one size per item on display and no mirrors in the fitting rooms, encouraging a dialogue with the sales assistants. Styling advice is also offered by sales assistants, who act as brand ambassadors.

The recruitment of multilingual salespeople enables the Group to offer its international customers a welcoming and unparalleled shopping experience. The Group's points of sale have a well-organised and motivated sales forces, backed by close monitoring and performance-based compensation for sales assistants and managers. The Group's sales force, store managers and regional directors receive dedicated training through the SMCP School, created in 2013, and currently based in France, Europe, the United States and Asia. For example, in 2024, the Group provided approximately 22,362 hours of training worldwide, via face-to-face training. The e-learning training platform, created in 2018, has delivered 139,088 hours worldwide.

1.4.3.2 THE GROUP ALSO BLENDS THE CODES AND METHODS OF DIRECT TO CONSUMER

While the Group has no in-house manufacturing, its operating model benefits from a short, reactive design-to-production cycle and a fully-integrated logistics platform and global supply chain. Each Group brand has a dedicated design team led by its founder or Artistic Director, with a structured design process based on robust collection planning and observations to capture the latest trends.

Rapid product cycle from design to store

The Group's in-house design, purchasing and procurement processes are highly coordinated to optimise production time and incorporate the latest fashion trends, as well as restocking stores in the most agile way possible. The Group's procurement lead and creation time is also competitive in the market.

Agile procurement and a diversified supplier base

The Group's agile procurement and diversified supplier and manufacturer base provides a highly flexible design and production calendar. The Group relies on a diversified base of more than 500 suppliers (finished products, cut-and-sew products and components), including 20% to 25% strategic suppliers representing most of the volumes produced for cut-and-sew products, finished products and accessories and fabric orders. The geographic proximity of part of the procurement base (around 50% of the Group's production is carried out in the EuroMed region) provides shorter delivery times. Furthermore, the Group's carefully selected partners deliver reliable and high-quality products. The Group sources a mix of finished and cut-and-sew products, for which it buys fabrics and outsources production. This allocation enables the Group to be much more reactive in case of replenishment, as the production of cut-and-sew products can be launched very quickly.

Thanks to its vertically-integrated approach, the Group benefits from a rapid replenishment cycle and optimised inventory levels. The Group's collection planning process enables it to anticipate raw material needs, while its strong relationships with suppliers provide flexibility to pre-book capacities and pre-order raw materials. The presentations of the collections upstream (to the press, partners and sales managers), timely feedback from retail stores and the Group's optimised inventory management allow it to quickly identify the bestsellers and rapidly replenish retail stores with best-selling items within a few weeks.

A global logistics platform enabling constant replenishment

The Group's operating model benefits from a fully-integrated global platform and supply chain. The Group's IT systems operate across all of its brands and facilitate the replenishment cycle and inventory management (see paragraph 1.2.7.2). These systems also allow the Group to measure store performance and integrate best practices across its retail network. The Group's recent investments in shared infrastructure and global platforms have geared the business to support strong future growth. Lastly, its fully automated warehouses located near Paris Charles de Gaulle airport, in Marly-la-Ville and Vémars (totalling more than 50,000 square metres), as well as the warehouses and logistics infrastructure in New Jersey, Shanghai and Hong Kong allow the Group to benefit from flexible and responsive logistics throughout the world. With the capability to replenish inventories in less than three days in Europe and within four days in North America (East Coast) and Asia, the Group can maintain low inventories in its stores and thus optimise dedicated sales space.

A collection plan framing the design process

The Group benefits from a proven design process, framed by a precise collection plan, based on efficient and reactive purchasing and procurement procedures. By way of example, the ten new collections per year (two per brand, including Sandro Homme in ready-to-wear present on average 400 to 450 SKUs for Sandro Femme and Maje, 330 to 380 SKUs for Claudie Pierlot, and 180 to 220 for Fursac). The Group's collection plan defines a target number of SKUs by product category (particularly in terms of colours, textiles, prices and occasions to wear the garment) to ensure a balanced offering, while price and margin objectives are taken into account from the beginning of the process. The creative teams also take into account a series of factors, including the historical performance of certain products, store feedback, previous collections' bestsellers and analysis of competitors' practices.

Continued newness driving high traffic in stores

The ability to offer something new is a key element of the Group's production strategy. To that end, new creations are developed all year long, allowing constant renewal of products in the Group's points of sale. Furthermore, the implementation of each collection, usually with eight to ten drops, as well as new "capsule" collections, allow the Group to consistently drive sales through repeat customer visits to stores. A reinterpretation of each brand's bestsellers is included in every new collection.

A scalable retail model and a disciplined approach to opening new points of sale

The Group has been able to expand its distribution network quickly and efficiently. In recent years the Group has significantly expanded its international presence (particularly in Europe and Asia), while observing a disciplined expansion strategy, with an average of 120 net openings per year between 2015 and 2019 (excluding Fursac and including partner stores) and an average opening time for directly operated stores of two months. The reduced execution time and standardised concept for each brand limits the capital expenditure required to support and expand the Group's network. The optimisation of capital expenditure and the short ramp-up period for points of sale allow the Group to realise a short payback period (measured by dividing capital expenditure by a point of sale's profitability before allocation of selling, general and administrative expenses).

The Group has a dedicated team responsible for point-of-sale roll-out and lease negotiation, and another team dedicated to the layout design of new locations. The point-of-sale investment process includes a review by the Group's management, involving strict

selection criteria such as the payback period and return on investment, and a final decision is made by a dedicated committee chaired by the Group Chief Executive Officer.

The Group applies a rigorous approach to its expansion strategy. A new point of sale will only be considered if it can be opened in an attractive location at an appropriate cost. When it is considering a new site for a point of sale, the Group investigates the demographics of the location to ensure it will have access to its target customers, while taking into account the expected impact of the opening on its existing points of sale in the immediate area, to minimise any potential cannibalisation effect. The Group does not hesitate to delay, if necessary, the opening of its new stores until the best locations are available at a satisfactory cost and under the best conditions. When the Group decides to enter a new geographic segment, it generally follows a flexible approach and tailors its roll-out strategy to the needs of the particular market. In general, the Group initially accesses new markets through concessions, allowing it to test the appeal of its brands and gain market knowledge with minimal capital expenditures, before building up its own store network. This approach has allowed the Group to rapidly expand its international network without sacrificing its rigorous return on investment metrics.

In 2020, in a context marked by the Covid-19 pandemic, the Group decided to reduce its investments, particularly by limiting its openings. In 2021 and 2022, the Group stabilised its points of sale network, firstly through net openings of points of sale focused on Asia, and secondly, in line with its strategic plan, by completing the improvement of its physical store network in France (primarily linked to the end of the Suite 341 concept). In 2023, the Group selected openings in strategic regions and channels. In 2024, the Group implemented a plan to optimise its network, in particular in China and for Claudie Pierlot in Europe.

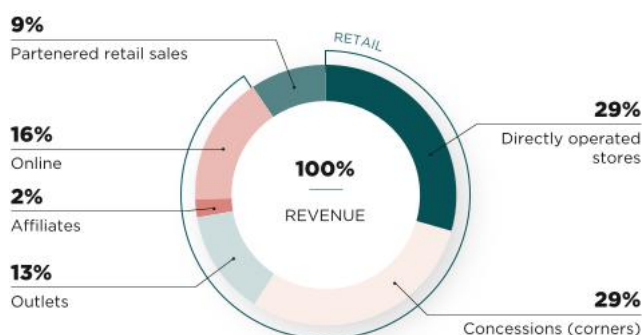
For the coming years, the Group intends to pursue a logical and balanced development, both geographically and across the various distribution channels.

1.4.3.3 RETAIL PURE PLAYER

A fully-integrated distribution network

The Group operates as a pure player in the ready-to-wear and accessories market (91% of its revenue is generated in directly operated stores), with close control over its distribution process, brand image and commercial strategy. This model enables the Group to ensure a consistent customer experience across its retail network. This strategy was adopted by the Group in the early 2000s, as it gradually abandoned its wholesale business.

Breakdown of revenue by type of point of sale



The Group's network of free-standing stores and concessions allows direct control over key elements of its strategy, such as pricing, purchases, sales force, image and communication. The Group believes that this approach is one of the main factors enabling it to maintain a high management gross margin. In addition, a balance of fixed and variable rents resulting from a mix of free-standing stores and department store concessions limits the Group's exposure to a

decrease in margins. In addition to its directly operated network, the Group employs a partnership model to expand into select high-potential markets. This approach allows it to move into attractive markets in certain countries that present specific local regulatory constraints or higher operational risk.

Excellence in retail network management

The Group believes that it has achieved a high level of excellence in managing its retail network. The average basket is made up of 1.7 products with an average total of €328 per purchase. The average initial sale price in 2024 was approximately €265. In Europe, for example, more than half of sales are made without any discount, demonstrating the appeal of the Group's products to its customers.

The Group's directly operated stores are characterised by a relatively compact surface area (70 to 130 square metres on average per free-standing store and 55 square metres on average per concession), resulting in strong operational KPIs (particularly in terms of the direct cost margin). The Group's strong return on invested capital (defined as the internal return and payback rate) of new points of sale highlights the success of its international roll-out strategy and its disciplined approach to capital expenditure for its points of sale.

1.4.4 A strong management team and a well-structured organisation to drive future growth

The Group has an experienced management team, led by Ms. Isabelle Guichot, Group Chief Executive Officer. Ms. Isabelle Guichot has over 30 years of experience in the international luxury and retail sectors, having held senior executive positions within the Kering and Richemont groups. Before joining SMCP, Isabelle Guichot was Chief Executive Officer of Balenciaga for nine years, after having been Chief Executive Officer of Sergio Rossi. Before joining the Kering group, Isabelle Guichot held various positions within the Richemont group, including that of Chief Executive Officer of Van Cleef & Arpels, and of Lancel, after beginning her career at Cartier. A graduate of HEC, she has developed many houses to which she has contributed her strategic vision and her unique sense of the business and the customer.

The Company's Executive Committee, which is responsible in particular for discussing the Group's strategy and challenges, monitoring the business, and coordinating the Group's operational management, meets on a monthly basis. It comprises:

- the Group Chief Executive Officer;
- the Group's three historical founders, who are also its Deputy General Managers: Ms. Évelyne Chérite, founder of the Sandro brand, Ms. Judith Milgrom, founder of the Maje brand and Mr. Ilan Chérite, founder of the Sandro Homme brand. As Artistic directors of their respective brands, they are actively involved in each brand's development;
- four Chief Executive Officers of the brands (Sandro, Maje, Claudie Pierlot and Fursac), responsible for the global management of their brand worldwide;

- two Regional Chief Executive Officers (North America and Asia), responsible for implementing the brand strategy in their respective regions;
- the Chief Financial Officer;
- the Chief Operating and Transformation Officer;
- the Human Resources and CSR Director.

The Group's senior management team has significant experience in both the luxury sector and within major fast fashion groups. Each of the Group's brands and core regions is headed by a Chief Executive Officer with more than 20 years of experience on average. This senior management team is also supported by a talented team of managers. The Group benefits from stability in key functions supporting its commercial, product and purchasing activities. In recent years, the Group's senior management team has been responsible for successful international expansion and revenue growth in a challenging macroeconomic environment. The Group has a strong team to support it as it grows, with the aim of becoming a global leader in the accessible luxury segment. Lastly, the Group's Artistic Directors and senior managers are also shareholders of the Company (see Chapter 7 "Share capital and shareholding structure"), contributing to an alignment of interests in the Group's future growth.

1.5 Strategic focus

INTRODUCTION

In a constantly changing market, several recent trends are emerging, including:

- the growth in online shopping and omnichannel approach: consumers are increasingly integrating digital methods into their shopping, combining online and in-store experiences;
- increased sensitivity to environmental and social issues: customers increasingly favour brands committed to responsible and transparent practices. This includes a strong interest in the circular economy, such as resale platforms, recycling initiatives, and use of sustainable and innovative materials;
- fast-moving and resilient local customers, and younger generations, who voice specific expectations in terms of fashion and customer experience;
- the search for a balance between experience and consumption: consumers aspire to enriching shopping experiences that combine entertainment and emotion;
- personalisation and technology: industry standards are changing due to the growing demand for personalised shopping experiences, powered by AI and state-of-the-art technology such as tailor-made recommendations.

In this context, SMCP can count on its four complementary brands, its competitive position and its solid foundations to transform these changes into growth opportunities. The Group relies in particular on:

- greater geographical diversification: this strategy mitigates local risks and seizes recovery opportunities (e.g. China in 2020 after the first lockdown, United States in 2022);

- a stronger e-commerce structure: in 2024, 20% of sales were made online, compared to 15% in 2019, reflecting the Group's successful adaptation to new consumption habits;

- a commitment to more responsible fashion: SMCP is pursuing concrete actions to promote more sustainable fashion, thus meeting growing demands in terms of social and environmental responsibility.

With the development of a strategic plan, presented to the market in October 2020, SMCP has opened a new chapter in its history, with global, desirable, sustainable and *phygital* brands. This plan was reviewed in 2024 to refine priorities and add a common objective to all the pillars and improve efficiency and productivity:

- Voice out louder and clearer brand singularity, foster desirability;
- Integrate CSR at the heart of the business model;
- Rethink the network and build global brands by making customers the focus;
- Reinforce infrastructure capabilities to achieve excellence;
- Unlock opportunities widening SMCP horizons.

Building on this new strategic plan, SMCP aims to become a world leader in accessible luxury goods while respecting the mission it has set for itself: *to diffuse Parisian elegance by acting as passionate and responsible entrepreneurs*.

1.5.1 Voice out louder and clearer brand singularity, foster desirability

SMCP intends to strengthen the attractiveness and desirability of its brands worldwide by relying on sharper and more diverse DNA. SMCP plans to use the following drivers to achieve this aim:

- **Adjust the architecture of its collections** in order to increase customer engagement for non-discounted products through simplified and optimised collections (fewer SKUs), a heightened sense of scarcity (capsules, limited editions, collaborations with brands, artists, designers, or influencers), blurred seasons (see now, buy now) and a differentiated offer by brand taking local specificities into account;
- **Improve the in-store experience** through a sales ceremony offering a more personal and "emotional" in-store experience;

- **Increase the range of accessories** to increase the visibility of its brands, increase productivity and attract new customers. In 2024, accessories accounted for around 10% of the Group's revenue;

- **Intensify its investments in marketing** (between 3% and 4% of revenue compared to approximately 2% previously) to create consistent and authentic brand stories, be sharp and relevant, create localised content while ensuring the overall consistency of the brands' messages. To this end, the Group focuses on disruptive digital communication, in particular social networks (*Instagram, TikTok, Snapchat, Facebook, Pinterest, WeChat, Weibo, Douyin, Little Red Book* and *YouTube*) but also explores new formats to reach new generations (millennials and generation Z), which could represent the majority of customers in the medium term, particularly in Asia, via specific content.

1.5.2 Integrate CSR into the business model

SMCP intends to step up in sustainable development and contribute to the development of more responsible fashion, with strong commitments to products, the planet and people.

In terms of products, the Group and its brands are working to develop an even more desirable offering with a lower environmental impact. To do this, SMCP uses increasing quantities of certified or recycled materials, strengthened supplier audits, and continues to deploy circular economy services (such as rental, second-hand and repair since 2024).

These commitments, combined with a reduction in the flow of air transport of goods, the development of renewable electricity for

stores and better management of inventories will contribute to reducing the carbon impact while limiting the biodiversity impacts caused by the Group's business activity and its value chain.

Lastly, SMCP involves all its passionate entrepreneurs in these efforts, by promoting inclusion and diversity, development and mobility, and by focusing on well-being at work.

Details on the Group's three pillars – Product, Planet and People, as well as the associated commitments are available in chapter 3 "Sustainability report".

1.5.3 Rethink the network and build global brands by making customers the focus

This third pillar is based on:

- an optimised physical store network, with more welcoming and engaging stores;
- increased digital penetration for an omnichannel customer experience.

SMCP's *phygital* strategy is based on a 360° knowledge of customers, an optimised and unified stock, the deployment of omnichannel services, and harmonised payment systems.

The Group has the necessary infrastructure to support its digital strategy, including a centralised team. It also continues to invest to improve the customer experience and provide a leading ease of purchase, by shortening the amount of time customers spend on its sites online, proposing new delivery and payment options and increasing the quality of packaging for online orders.

SMCP has been rolling out many omnichannel services since 2017, such as e-reservation, click and collect, ship from store, and omnichannel gift cards. In addition, the Group continues make developments in the field of the circular economy, with initiatives such as second hand, rental and now the implementation of repair services to extend the life of products.

SMCP intends to build on this new approach to consolidate its e-commerce growth, and to provide an improved, seamless customer experience.

The Group intends to pursue its *phygital* approach in each region, by adopting a global vision, integrating both digital and physical presence. To do so, the Group plans to:

- gain market share in the like-for-like physical network and developing the organic growth of e-commerce in **France**. The Group will rely on an optimised network that it will continue to make changes to;
- supplement the store network in **Europe** in a targeted manner, primarily *via* flagship stores in European capitals, and continue its omnichannel development;
- optimise its presence in **Asia**, by investing in digital and implementing a specific focus on new distribution channels (for example, duty free or travel retail in airports);
- continue to expand in **North America**, both in physical and digital stores, by adding to the network in key high-potential areas in the United States and Canada.

1.5.4 Reinforce infrastructure capabilities to achieve excellence

SMCP intends to continue to strengthen its business model, maintaining agility, speed and efficiency:

- through the implementation of centralised global demand planning, enabling inventory optimisation and an increase in non-discounted sales. In other words: buy less, buy better, and offer the right product in the right place at the right time;
- by leveraging an agile and robust supply chain, and a strengthened IT platform, based on the best software on the market;
- by continuing to invest in solid tools and using high-quality data to improve performance, in particular *via* artificial intelligence, which has many promising use cases for the retail industry.

1.5.5 Unlock opportunities widening SMCP horizons

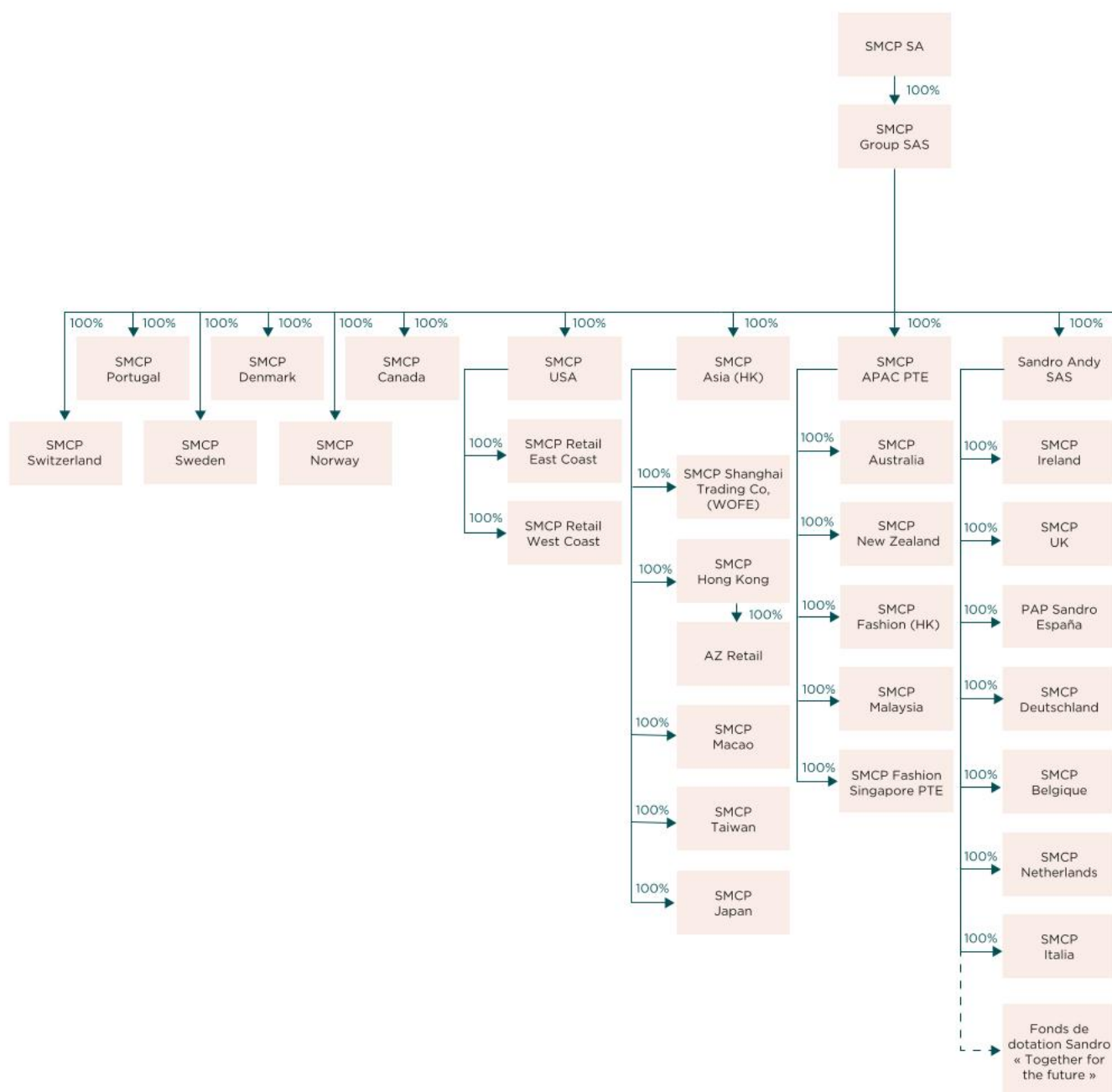
The Group strives to meet the increasing mobility expectations of its customers, with the dual objective of strengthening their loyalty and attracting new customers. This is reflected in particular in the development of travel retail and the expansion of sales *via* social networks, as well as through the use of an in-store clienteling application, offering a more personalised experience.

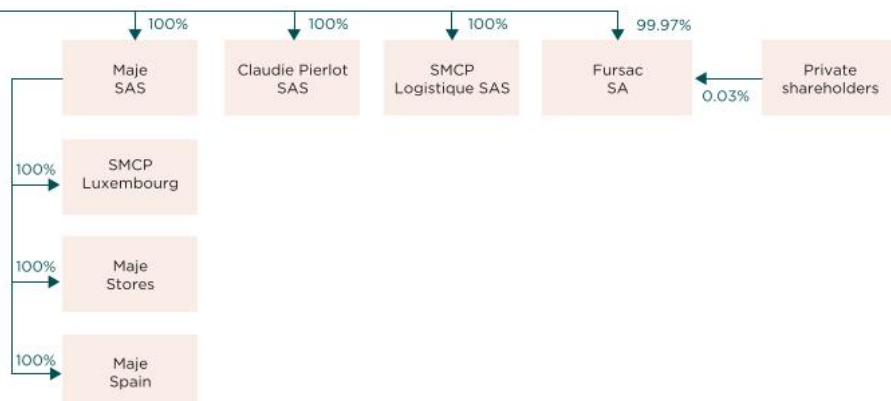
The Group also plans to expand its presence through its partnerships in areas in which it already operates, such as South Korea, Mexico and the Middle East, as well as through new locations in countries in which it is anticipating substantial growth opportunities in the coming years.

1.6 Organisational structure

1.6.1 Legal organisational structure of the Group as at December 31, 2024

The percentages indicated in the organisational chart below represent the share capital and voting rights held as at December 31, 2024:





1.6.2 Subsidiaries and equity interests

MAIN SUBSIDIARIES

The main direct or indirect subsidiaries of the Company on the date of this universal registration document are as follows:

- **SMCP Group SAS** is a French simplified joint-stock company with capital of €107,365,480, having its registered office at 49, rue Étienne-Marcel, 75001 Paris, France, registered under number 819 258 773 in the Paris Trade and Companies Register. It is a holding company;
- **Maje SAS** is a French simplified joint-stock company with capital of €100,000, having its registered office at 2, rue de Marengo, 75001 Paris, and registered under number 382 544 310 in the Paris Trade and Companies Register. It is the Group's holding and operating company for the Maje brand in France;
- **Sandro Andy SAS** is a French simplified joint-stock company with capital of €279,344, having its registered office at 150, Boulevard Haussmann, 75008 Paris, and registered under number 319 427 316 in the Paris Trade and Companies Register. It is the Group's holding and operating company for the Sandro brand in France. In 2021, it created an endowment fund ("fonds de dotation"), "Together for the Future", governed by Law no. 2008-776 of August 4, 2008 on the modernisation of the economy, Decree no. 2009-158 of February 11, 2009 and Decree no. 2015-49 of January 22, 2015 relating to endowment funds, which has two main missions: to raise funds through exclusive collections and eco-responsible actions, then donate them to community causes that echo the Sandro family spirit;
- **Claudie Pierlot SAS** is a French simplified joint-stock company with capital of €30,083,937, having its registered office at 2, rue de Marengo, 75001 Paris, and registered under number 328 759 857 in the Paris Trade and Companies Register. It is the Group's operating company for the Claudie Pierlot brand in France;
- **Fursac SA** is a French public limited company with capital of €3,716,893.89, having its registered office at 112, rue de Richelieu, 75002 Paris, and registered under number 378 486 096 in the Paris Trade and Companies Register. It is the Group's operating company for the Fursac brand in France;
- **SMCP USA Inc.** is an American company with a capital of 1 US dollar, whose registered office is located at 2711 Centerville Road Suite 400, Wilmington, Delaware 19808 and registered under number 4850860 in Delaware. It is the Group's holding company for its United States business;
- **SMCP Shanghai Trading Co. Ltd** is a limited liability company incorporated under Chinese law with capital of US\$5,000,000, having its registered office at Room 701, Floor 7, North Annex of building 1, No. 757 Jiaozhou Road, Jing'An District, Shanghai, China, and registered under number 06000002201706220015 in Shanghai. It is the Group's operating company for Mainland China;
- **SMCP Asia Ltd** is a private company governed under Hong Kong law with capital of HKD 1, having its registered office at Unit 3203A-5A, 32/F, The Centrium, 60 Wyndham Street, Central, Hong Kong SAR, and registered under number 1838474 in Hong Kong SAR. It is the Group's operating company for Asia.

1.7 Legislative and regulatory environment

1

As a result of its retail sales activity, the Group is subject, in each of the countries where it is present, to regulations on consumer protection, e-commerce, product liability, protection of personal data, opening hours for points of sale, international commerce and

customs duties. In the European Union (and notably in France), where the Group conducts a large proportion of its business, the regulatory framework consists of directives which have to be transposed in each Member State.

1.7.1 Consumer protection and e-commerce

As a distributor, through its various points of sale and websites, the Group is subject to a set of strict rules governing sales and relations between merchants and consumers (such as labelling, terms of sale, regulation on unfair practices and e-commerce specific rules, etc.) and more generally, how its stores operate (such as opening days, sales periods, administrative approval for trading, regulations covering buildings open to the public, accessibility and safety, etc.).

At the European level, the main Directive on consumer law is Directive 2011/83/EU of October 25, 2011 on consumer rights. This directive has fully harmonised various aspects of consumer and contract law applicable to sales between professionals and consumers at the European level, such as the obligation of information incumbent on the vendor (including the price and the availability of after-sales service) and the right of cancellation for online sales. However, in other areas, such as those covered by Directive (EU) 2019/771 of the European Parliament and Council of May 20, 2019 on certain aspects concerning contracts for the sale of goods, Directive 94/62/EC on packaging and packaging waste and Directive 93/13/EEC of April 5, 1993 on unfair terms in consumer contracts, there are currently only minimal harmonisation rules. Member States may therefore supplement the rules with more stringent national regulations.

French law in particular tends to reinforce consumer protection. Thus, Directive 2011/83/EU was transposed into French law in the French Consumer Code by Law no. 2014-344 of March 17, 2014 on consumption and Decree no. 2014-1061 of September 17, 2014 on the obligation of pre-contractual and contractual information for consumers and the right of cancellation. The French Consumer Code provides for a system of consumer protection and failure to comply with its provisions may result in financial penalties. Under Articles L. 221-18 et seq. of the French Consumer Code, with certain exceptions, consumers have the right to withdraw their acceptance of contracts entered into remotely. Consumers have a period of 14 full days to exercise their withdrawal right without explanation. In addition, Article L. 623-1 of the French Consumer Code relating to Group action, allows consumers to obtain compensation for financial loss resulting from material damage suffered in the course of the sale of goods or the provision of services. In addition, pursuant to Law no. 2004-575 of June 21, 2004 on confidence in the digital

economy, service providers and vendors of goods must provide certain detailed information to consumers when contracts are concluded remotely by electronic means. Professional sellers have an obligation to inform consumers at several stages of the contractual process: before the order is placed, at the time the consumer places the order, to enable the consumer to check the details, and after the contract is entered into, no later than when the good or service is delivered.

Furthermore, order no. 2016-131 of February 10, 2016 on contract law reform, the general scheme and the proof of obligations significantly modified the French rules on the law of obligations by introducing new provisions regarding co-contractors' protection, such as the unwritten nature of the provisions creating a significant imbalance between the rights and obligations of the parties to the contract within adhesion contracts or by setting up an obligation to renegotiate the rights in the event of the occurrence of unforeseen circumstances.

In the United States, many laws, at both the Federal and State levels, govern the relationships between retailers and consumers of textile products. At the Federal level, the Textile and Wool Acts, the application of which is controlled by the Federal Trade Commission, apply to the sale of textile products. They require a label to be affixed detailing the composition, country of origin and identity of the manufacturer. At the State level, many of them, Delaware in particular, have adopted the Uniform Deceptive Trade Practices Act, which regulates fraudulent business activities and misleading advertising.

In Mainland China, at the national level, the main laws protecting consumers' legitimate rights and interests include: The Consumer Rights and Interests Protection Law (adopted in 1993 and revised in 2013), which grants customers the right to return goods without reason if purchased by certain specified means; and the Electronic Commerce Law (adopted in 2019), which is the key legislation in the field of electronic commerce, aimed at regulating and promoting the development of electronic commerce. The latter regulates e-commerce operators to protect consumers' right to information and choice, and aims to prevent consumers from being misled or deceived.

1.7.2 Product liability

As a vendor and distributor, the Group is liable for any harmful consequences of the products it sells or distributes. This liability may be criminal or civil on the basis of several regimes, some of which are summarised below. Moreover, contracts concluded between the Group and its suppliers contain clauses on compliance with applicable standards and regulations, compensation mechanisms, guarantees relating to supplier qualification (such as reputation, financial health, existence of adequate insurance policies and compliance with applicable standards and regulations) and "product return" clauses under which the supplier undertakes to take back products subject to certain conditions.

Regulation (EU) 2023/988 of the European Parliament and of the Council of May 10, 2023 on general product safety imposes a general obligation of safety for all products placed on the market intended for consumers or which may be used by them. In France, pursuant to Article L. 421-3 of the French Consumer Code, "provisions of services must, under normal conditions of use or under other circumstances that may reasonably be foreseen by the professional, offer the safety that can legitimately be expected and must not be a danger to public health".

The Group, as a distributor, must adopt all useful measures to achieve compliance with all obligations of safety and the absence of harm to public health as provided by the legislative and regulatory texts. A safe product is one which does not present any risk or which presents only reduced risks (compatible with use of the product) which are acceptable, such that the product ensures a high standard of protection for public health and safety. When a distributor is informed that products intended for consumers which it has placed on the market do not satisfy the requirements of safety and of avoidance of any harm to public health, it must immediately inform the competent administrative authorities, indicating the actions it intends to undertake to prevent risks to consumers. Distributors must also refrain from supplying products which they are aware, on the basis of information in their possession and their status as

professionals, that they do not meet the safety obligations provided by the texts. Finally, distributors must contribute to the safety of products placed on the market by forwarding information concerning the risks linked to these products, by maintaining and providing the necessary documents to ensure traceability and by cooperating in actions taken by manufacturers and competent administrative authorities to avoid risks.

Lastly, pursuant to Articles 1245 et seq. of the French Civil Code, the Group is liable for personal injuries and damage to property of a value exceeding €500 caused by products which do not offer the degree of safety which the Group's customers can legitimately expect and of which the Group states that it is the manufacturer by affixing its name, brand or any other distinctive sign on the products. Excluding fault, liability actions are statute-barred ten years after the placing on the market of the product causing the damage, unless the victim has brought legal proceedings during this period. An action for compensation is statute-barred after three years. As related to consumers, clauses which seek to eliminate or limit liability for defective products are prohibited or deemed void.

In the United States, the Consumer Product Safety Act regulates the safety of consumer products such as those sold by the Group and vests in the United States Consumer Product Safety Commission the power to establish regulatory standards and recall defective products.

In Mainland China, at the national level, the main law governing product liability is the Product Quality Law (adopted in 1993 and revised in 2018), which aims to strengthen the supervision and management of product quality, improve the level of product quality, clarify responsibilities in this area, protect the legitimate rights and interests of consumers and maintain social and economic order. This law provides for heavy penalties if the products sold do not meet the applicable quality standards, including fines of up to three times the value of the products sold, revocation of the commercial licence and/or criminal liability.

1.7.3 Regulations on the protection of personal data

In connection with its business, the Group collects and processes personal data concerning customers of its retail stores and its websites users.

In the European Union, Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the General Data Protection Regulation, the "GDPR") is the reference framework for the processing of personal data in all member countries. It completes the French data protection Law no. 78-17 of January 6, 1978, which is currently still in force.

The GDPR applies to the automated or manual processing of personal data if the data concerned are contained or intended to be contained in a file. The concept of "personal data" is broadly defined as any information concerning a directly or indirectly identified or identifiable natural person, irrespective of the country of residence or nationality of that person. It compels personal data controllers in the European Economic Area Member State or those making use of processing systems located in the territory of a European Economic Area Member State to adopt a number of measures prior to data collection, during their storage and until they are deleted. Under the GDPR, the "data controller" is the person or entity which alone or jointly with others, decides on the purposes and means for the processing of personal data.

The GDPR also imposes a set of obligations concerning customer information, notably the exercising of the right to access, correct or delete data contained in files. In particular, the nature of the banking data provided by customers while making an online purchase has led to the adoption of strict and highly secure data storage conditions and measures. The collection and storage of data is subject to compliance with GDPR rules. Beyond the transaction, the storage of such data is subject to the customer's consent and can occur for a limited period only. The French National Data Protection Commission (CNIL) has powers of control and investigation, and can issue injunctions and impose administrative penalties. Finally, failure to comply with the provisions of the GDPR may give rise to civil, administrative or criminal penalties. The CNIL can apply fines that may be as high as €20 million or 4% of the overall annual revenue of the legal entity concerned. In addition to these financial penalties, the CNIL may publish the warnings and penalties that it issues.

This legal framework for the protection of personal data in the European Union is intended to reinforce individual rights, give them

more control over their personal data and more generally guarantee privacy rights. These rules are designed to ensure that people's personal information is protected, no matter where it is sent, processed or stored, even outside the European Union. These arrangements also introduce an obligation for companies to report any loss or theft of personal data, to collect the minimum personal information, to verify the impact of their projects on personal data protection and lastly to appoint a Data Protection Officer (DPO) in charge of managing these issues within the Company. The General Counsel fulfils the duties of the DPO within the Company.

In Mainland China, at the national level, the main law protecting personal information is the Personal Information Protection Law (adopted in 2021), which aims to protect personal information rights, regulate the processing of personal information and promote efficient use of such information. This Law provides for heavy penalties for violations, including a maximum fine of up to RMB 50 million or 5% of the previous year's revenue, as well as the revocation of the business licence.

1.7.4 Regulation of opening hours

In almost all countries where the Group has a presence, the opening and closing hours of shops are regulated, notably during weekends and on public holidays.

In Europe, the regulations on opening hours derive in particular from Directive 2003/88/EC of November 4, 2003 concerning certain aspects of the organisation of working time, amending Directives 2000/34/EC of June 22, 2000 and 93/104/EC of November 23, 1993. The Directive establishes working time rules to protect the health and safety of workers. The text imposes minimum requirements for working time, rest time, the entitlement to paid leave and night working. As at the date of this universal registration document, the Directive has not been transposed into French law.

In France, Law no. 2015-990 of August 6, 2015 on growth, activity and equality of economic opportunity amended the legislation on Sunday and evening opening hours for stores. For Sunday working, without calling into question the principle of weekly rest for employees as a priority on Sunday, this law amends the regime through the following derogations: those granted to retail establishments in particular geographic areas, including tourist areas and municipalities, those authorised by the prefect when closing of the establishment is damaging to the public or interferes with the normal functioning of the establishment and those granted to retail shops by the municipal government. There are four types of geographic area in which an employer may allow weekly rest days on a rolling basis for all or some staff (tourist areas, commercial areas, "international tourist areas" and very busy railway stations). This option is offered to retail establishments which supply goods and services and affects many of the Group's points of sale in France.

On December 16, 2015 the Group concluded a collective agreement with trade union representatives to implement the provisions of law no. 2015-990 on Sunday and nighttime working. This agreement governs the applicable rules for the Sunday opening of the Group's points of sale (excluding Fursac) as at February 1, 2016. A collective agreement on nighttime working for Fursac has also been in place since January 11, 2017. These agreements allow the Group to open a significant number of additional points of sale on Sunday, in Paris in particular.

Law no. 2016-1088 of August 8, 2016 also reformed nighttime working. In principle, any work performed during a period of at least nine consecutive hours, including the period between midnight and 5 a.m., shall be considered as nighttime working. The night work period begins no earlier than 9 p.m. and ends no later than 7 a.m. Pursuant to Article 8 of law no. 2016-1088, by way of exception, for retail establishments providing goods and services in international tourism areas, the nighttime working period, if it begins after 10 p.m., shall be at least seven consecutive hours including the period between midnight and 7 a.m.

In the United States, the regulations applicable to opening hours are largely decentralised. In the United States, by way of illustration, the blue laws which restrict Sunday working have gradually been abolished and States have established their own regulations. The rules are varied and depend on the economic interests at stake, and the cultural context.

1.7.5 Regulation of bulk selling, sales, price reductions and stock liquidations

As a distributor, the Group is subject to a set of strict rules on bulk selling, sales, price reductions and stock liquidations.

At the European level, Directive (EU) 2019/2161 of November 27, 2019 concerning consumer protection and particularly unfair business-to-consumer commercial practices in the internal market is applicable to bulk selling, sales and stock liquidations. The text establishes a general prohibition on unfair business-to-consumer commercial practices, such as selling at a loss.

In France, the regulations are established in the French Commercial Code in Articles L. 310-1 et seq. and R. 310-2 et seq. The legislation establishes a framework for stock liquidations, bulk selling and sales to guarantee fair competition between traders and ensure consumer protection. Law no. 2008-776 of August 4, 2008 on the modernisation of the economy has made the regime for these practices more flexible by replacing administrative authorisations by advance declarations and allowing traders more freedom to choose sales periods. Moreover, the two periods of annual sales (usually from January to February and from June to August) are now set by decree for a period of three to six weeks, and flexible sales periods were

abolished by Law no. 2014-626 of June 18, 2014 on crafts, commerce and very small businesses.

Furthermore, following publication of order no. 2021-1734 of December 22, 2021 on consumer protection, any price reduction announcement is lawful provided it does not constitute an unfair business practice within the meaning of Article L. 121-2 of the French Consumer Code. When a price reduction announcement is made in a commercial establishment, the labelling, the marking or display of the prices carried out according to the provisions in force must specify, as well as the reduced price being announced, the reference price determined by the advertiser and from which the price reduction is announced, it being specified that the reference price must correspond to the price charged previously, i.e. the lowest price during the 30 days preceding the application of the reduction. Lastly, the advertiser must be able to prove the existence of the reference price on which the reduction is based.

In the United States, brands may freely determine the dates and frequencies of sales periods.

1.7.6 Legal framework governing private sales

In the course of its activities, the Group must comply with the provisions applicable to "private" sales. Since the passage of law no. 2008-776 of August 4, 2008 on the modernisation of the economy, private sales may be conducted outside of legal end-of-season sales periods. Unlike end-of-season sales, which are governed by Articles L. 310-3 and L. 310-5 of the French Commercial Code, private sales may not result in selling at a loss and may not legally be called "sales".

The Group must also comply with legislation applicable to sales at reduced prices, including Directive (EU) 2019/2161 of November 27, 2019 on consumer protection and in particular on unfair business-

to-consumer commercial practices in the internal market. In French law, order no. 2021-1734 of December 22, 2021, transposing the above-mentioned Directive, addresses price reduction announcements to consumers. Price reduction announcements must not constitute unfair competitive practices within the meaning of Article L. 121-1 of the French Consumer Code. In this respect, the store or website concerned must present the reference price from which the price reduction is announced, i.e. the lowest price charged during the 30 days preceding the application of the reduction, the amount of the reduction and the reduced price. The store or website operator must be able to prove the existence of the reference price on which the reduction is based.

1.7.7 International trade and customs duties

The Group's products are manufactured mainly in Europe, North Africa and Asia. In the European Union internal market, the principles of free movement of goods apply. For the import and export of goods from countries which are not members of the European Union, the Group is subject to national and European regulations on customs and foreign trade. In particular, the basic customs legislation of the European Union is set out in the Union

Customs Code adopted on October 9, 2013 as Regulation (EU) No. 952/2013 of the European Parliament and of the Council.

Although imports and exports are not subject in principle to customs duties inside the European Economic Area (EEA), the movement of goods beyond the borders of the EEA may be subject to customs controls.

1.7.8 Tax regulations

The SMCP group and its subsidiaries comply with the tax regulations in force in terms of direct taxes (corporate income tax) and indirect taxes (including VAT) for both its retail and distance selling activities. The SMCP group declares and pays taxes in each tax jurisdiction in which the group companies operate.

With respect to transfer pricing legislation, SMCP applies the arm's length principle and the methods recommended by the OECD. The SMCP group's transfer prices mainly concern the sale of goods, the invoicing of financial interest *via* a cash centralisation company located in France, and the invoicing of registered office expenses.

In no country does SMCP have a tax ruling (i.e. advance tax agreements on transfer pricing) with any tax authorities.

The DAC 6 Directive requires intermediaries, and in some cases taxpayers themselves, to report potentially aggressive international tax transactions to the tax authorities, based on the presence of at least one marker covered by the Directive. SMCP has no scheme covered by this regulation and ensures that all its entities comply with the tax regulations in force.

The global minimum taxation of multinational corporate groups, known as Pillar 2, comes into force for financial years beginning on or after December 31, 2023. Given its consolidated revenue of more than €750 million, the Pillar 2 regulations apply to SMCP for the financial statements as of December 31, 2024.

In each of the jurisdictions, SMCP meets the conditions to benefit from the Safe Harbour measures, at least one of the three tests being met for each jurisdiction. SMCP is therefore not affected by the payment of an additional tax for 2024 (Top-Up-Tax) in France or in the other national jurisdictions in which the Group operates.

SMCP cooperates transparently with the tax authorities of the various countries in which it operates, both during tax audits and in response to simple requests for information.

1.7.9 Environmental regulations

See Chapter 3 "Sustainability report" of this universal registration document.



Risk factors and internal control

2.1 Risk factors	42	2.3 Internal control and risk management	62
2.1.1 Risks related to the Group's operations	44		
2.1.2 Risks related to the Group's strategy and organisation	50	2.4 Supervisory bodies	63
2.1.3 Risks associated with the Group's social and environmental responsibility	53		
2.1.4 Financial risks	56	2.5 The risk management system	63
2.1.5 Legal and regulatory risks	59		
2.2 Insurance and risk coverage	61		

2.1 Risk factors

Introduction

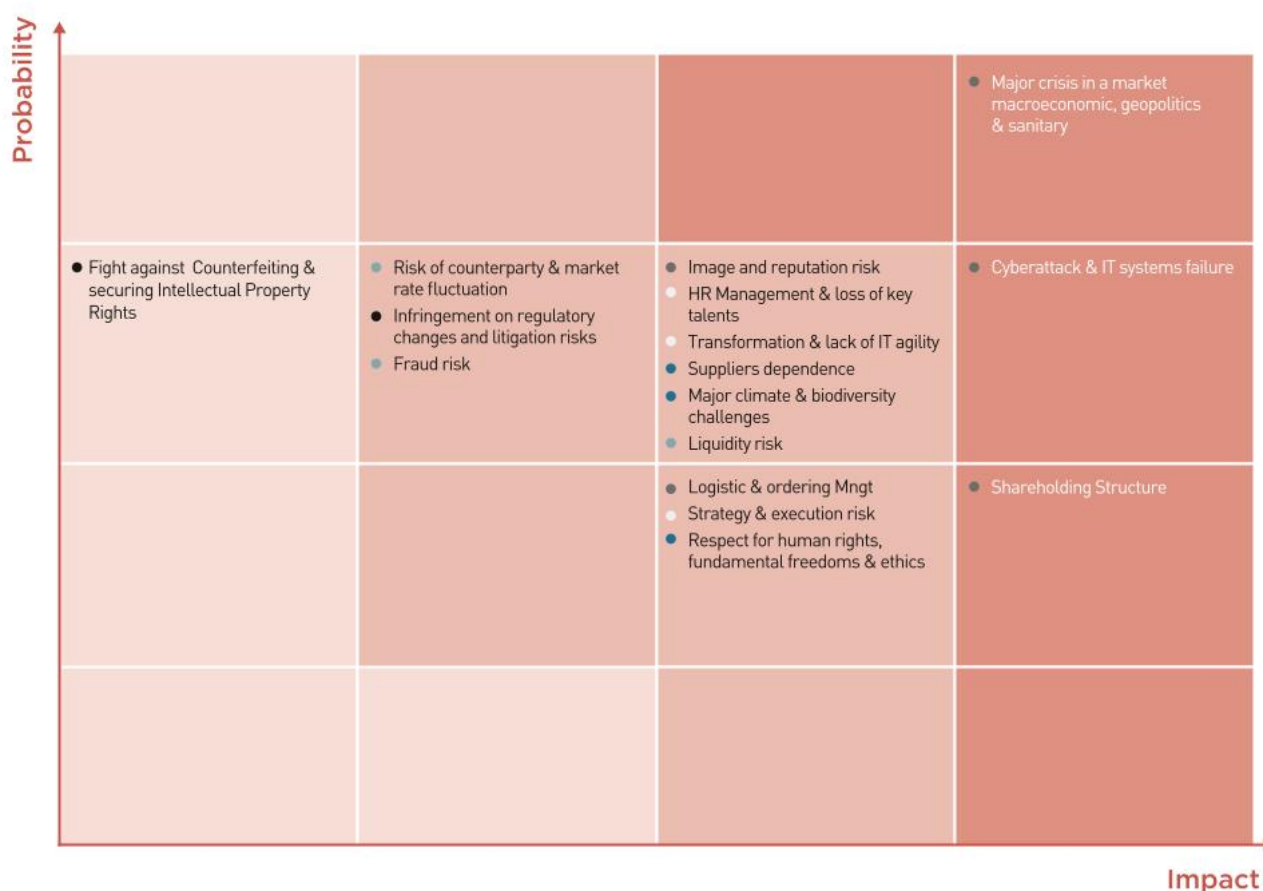
In accordance with Article 16 of Regulation (EU) 2017/1129 and with the ESMA (European Security and Market Authority) Guidelines, as of the date of this universal registration document, risk factors include those the Company believes are likely to have a material adverse effect on the Group, its business, reputation, financial position, earnings, development and prospects. However, investors are urged to consider the fact that the list of risks is not exhaustive and that other risks, which might be unknown or whose occurrence, as of the date of this universal registration document, is not considered likely to have a material adverse effect on the Group, its business, financial position, earnings, development or prospects, could exist or occur. The risks not included in this document due to their deemed low importance to date, nevertheless continue to be taken into consideration in the risk management procedures within each of the Group's business lines.

The Group's risk map was updated in December 2024 and assesses the criticality of the risks, i.e. their severity in terms of operational, financial, legal/regulatory and reputational impact for the Group, as well as their probability of occurrence, after taking into account the prevention plans and risk management systems in place. The risk factors identified were submitted to the Audit Committee for approval on February 25, 2025, and approved by the Board of Directors on February 27, 2025.

The risk mapping is carried out by the Audit and Internal Control Director and is updated every year. Each major risk is managed by one or more contributors. Interviews are conducted with all contributors in order to assess the risks according to two areas: the potential impact on revenue and the probability of occurrence. Once the risks have been identified and assessed, the final consolidated matrix is presented for approval to the Group's Chief Executive Officer and then to the Executive Committee. The risk matrix is then proposed and validated by the Audit Committee each year.

The significant and specific risk factors to which the SMCP Group is exposed are presented in five categories:

- risks related to the Group's operations;
- risks related to the Group's strategy and organisation;
- risks associated with the Group's social and environmental responsibility;
- financial risks;
- legal and regulatory risks.



Risk category	Description of the risk	Page
● Risks related to the Group's operations	● Major crisis in a market	44
	● Cyberattacks and information system failures	45
	● Group shareholding structure	47
	● Image and reputation risk	48
	● Logistics and efficient order processing	49
● Risks related to the Group's strategy and organisation	● Strategy and execution risk	50
	● Transformation and lack of IT agility	51
	● Human resources management and loss of talent	52
● Risks associated with the Group's social and environmental responsibility	● Supplier dependence	53
	● Respect for human rights, fundamental freedoms and ethics	54
	● Evolution of major global climate and biodiversity matters	55
● Financial risks	● Liquidity risk	56
	● Market rate fluctuation and counterparty risk	57
	● Fraud risk	58
● Legal and regulatory risks	● Infringement on regulatory changes and litigation risks	59
	● Fight against counterfeiting and securing intellectual property rights	60

2.1.1 Risks related to the Group's operations

MAJOR CRISIS IN A MARKET

Description of the risk

The world is currently experiencing recurring periods of economic, geopolitical and health tensions (Covid crisis, election periods, inflationary conditions, announcements concerning customs tariffs, etc.). These instabilities could disrupt production and selling activities, as well as logistics and tourism flows. In addition, the many climate challenges mean that there is a high risk of natural disaster.

Economic conditions (inflation, deflation, decline in purchasing power), international conflicts or health crises could affect the Group's financial results due to:

- operating costs;
- store footfall;
- purchasing power;
- restrictions on the movement of goods and people.

Risk management

In order to limit the negative impact of unfavourable conditions on its activities, the Group focuses its development on several areas:

- geographical diversification: the Group continues to develop its international presence, with a gradual reduction in its historical market exposure (the Group's revenue generated in France fell from 46% to 35% between 2016 and 2024), and with a presence in nearly 50 countries at the end of 2024. In addition, recent action plans (closure of part of the network in China, selective retail openings in the United States, opening of points of sale with partners in new or under-penetrated countries) are helping to rebalance the Group's geographical footprint;
- diversification of distribution channels, with a balance between physical and digital sales, and between high-traffic points of sale (concessions) and destination-based points of sale;
- development of a Men's offering that, in addition to the historical female offering, reaches a wider clientele;
- strategic positioning to capture new customers, particularly with exclusive product offers such as capsules or collaborations.

In addition, in the current context of high and persistent inflation, the Group is carefully managing its expenses with dedicated action plans in the brands and Group head offices as well as in the distribution areas. This prudent management covers both current operating expenses and capital expenditure.

Finally, a crisis management system is in place and has been developed and tested.

CYBERATTACKS AND INFORMATION SYSTEM FAILURES

Description of the risk

The Group's success depends on the continuous, uninterrupted availability of its information systems, to process customer transactions and to manage its supplies, purchases and deliveries of its products. Telecommunications difficulties, software or information technology centre failures, the unavailability of internal resources, fires, electrical failures, third-party attacks (such as hacking or computer viruses) and any delay in or even inability to install new information technology systems could adversely affect the capacity and availability of the Group's information systems. The increase in cybersecurity threats worldwide may also impact the Group. Any major disruption to, or slowdown in, the Group's infrastructures could cause losses or delays in processing deliveries to its points of sale and to its customers.

Although the Group has robust security systems in place, the inventiveness, adaptability, frequency and intensity of external attack attempts observed on the market (particularly phishing) constitute major threats.

Lastly, the Group prioritises securing the personal data of customers that it collects as part of its marketing policy.

Data protection is monitored but, by nature, exposed to attempted theft. In this case, the image of the Group's brands could be tarnished, and Group customers could be dissuaded from sharing their personal data, impacting the effectiveness of the Group's marketing and its image, which could have a material adverse effect on its business activities, financial position, results of operations or prospects.

Risk management

The Group has created a security team led by its Technical Director, who is responsible for information systems security, and has carried out a series of actions to reduce the probability and impact of cyberattacks, based on five key areas:

- a strategic and operational annual roadmap of technical projects and activities defining the Group's vision and priorities in terms of IT security;
- an information security management system ("ISMS"), incorporating the policies in force, the basis of which is the IT Charter;
- a training program to raise employee awareness of IT risks (via twice-yearly newsletters and mandatory e-learning) and to help them to detect and to defeat attempted fraud or cyberattacks;
- annual ISMS performance assessment campaigns by performing network and application security tests;
- securing and auditing partners, primarily by signing a mandatory Security Assurance Plan for contracts for which IT security has been identified as important, based on the international ISO 27001 standard.

The cybersecurity organisation has access to an ecosystem of in-house and external experts and also relies on contacts in the geographical areas and local contacts for cybersecurity activities, both during project phases and during operational and supervision phases. Bimonthly synchronisation check-ins are held with contacts in the North America and Asia regions to address specific local issues.

Monitoring is also an important subject within the cybersecurity organisation.

The team organises robust quarterly monitoring of cybersecurity issues via its IT Security Committee, which brings together the members of the Executive Committee, the General Counsel and the Audit, Internal Control and Compliance Director, to present the development of the Group's cybersecurity systems. The Group has robust protection solutions such as Endpoint Detection and Response (EDR), Multi-Factor Authentication (MFA), a web proxy to secure online information, and all infrastructure is in the cloud for enhanced resilience. Each year, several projects are dedicated to improving and securing the Group's information systems, such as the deployment of a secure password storage solution for employees in 2024.

At the same time, the roadmap includes business continuity plans, which are updated and tested to ensure their effectiveness. IT security audits are carried out each year with specialised service providers to identify remediation plans, including those relating to personal data security. The recommendations of these audits are monitored on a weekly basis by the security team, taking into account how critical the identified weaknesses are. For these tests, the Group relies on highly qualified partners in the field of security audits, including internal and external penetration tests.

The various policies and procedures that form part of the ISMS are the IT Charter, the Information System Security Policy ("ISSP"), the procedure for managing cybersecurity incidents and crises and the Workstation and Remote Working Protection Rules. They are reviewed every two years, communicated to new employees and available on the Group's intranet. They cover all of the Group's activities worldwide. In addition, each region can complete the processes and make the necessary adjustments to adapt to local specificities (regulations, technology, etc.).

Description of the risk**Risk management**

Two mandatory e-learning are provided to all Group employees: one for network employees, and the other for head office and logistics employees. Training for head office employees and logistics is updated every year, and must be completed again by each employee. In terms of governance, the Group has set up two internal bodies specific to the IT field: a quarterly Security Committee presented previously and a bimonthly Operational Committee under the supervision of the Operations and Transformation Department, which aims to carry out detailed monitoring of actions and news.

In the course of their business, SMCP and its brands collect and process personal data concerning, in particular, store customers, website users, suppliers and employees by obtaining their informed consent.

The data collected are adequate, relevant and limited to what is strictly necessary. Data confidentiality and security is protected in accordance with the General Data Protection Regulation (GDPR), which states in particular that any loss or theft of personal data must be reported, that the minimum amount of personal information must be collected, that the impact of projects on personal data protection must be assessed and finally that a Data Protection Officer (DPO) must be appointed. At SMCP, the General Counsel is the DPO. He advises and supports the management of the entities concerned and leads data protection compliance. He also relies on a personal data team made up of legal experts and contacts who are his operational representatives within each department. A Personal Data Committee aims to define the GDPR compliance strategy at Group level, monitor key topics and the implementation schedule and validates new projects related to personal data and the associated budgets. It comprises the DPO, the Chief Executive Officer, the Finance Director, the Operations and Transformation Director and the Audit, Internal Control and Compliance Director. It meets every six months.

The Group has rolled out mandatory e-learning training on personal data for all its employees in Europe. The Group has also drawn up a procedure which is applied to any incident that could lead to a personal data breach.

GROUP SHAREHOLDING STRUCTURE

Description of the risk

The composition of the Company's shareholding structure underwent significant changes at the end of the 2021 financial year, as a result of the default of its former majority shareholder European TopSoho S.à r.l. (ETS) for bonds exchangeable into SMCP shares maturing in September 2021 (see paragraph 7.1.2 "Changes in shareholding structure" for a detailed description of these changes). A stake representing then 37% in SMCP's share capital was pledged to guarantee the redemption of these bonds.

As a result of these changes, and as of the date of this document, the Company's main shareholder is Glas SAS (London branch) ("GLAS"), Trustee of the above-mentioned exchangeable bonds, with 28.0% of the share capital (i.e. 24.4% of the voting rights).

On March 1, 2023, a press release was issued on behalf of the bondholders and GLAS, by the receivers (professional representatives under English law) announcing the launch of a process to sell the pledged stake of what represented then approximately 37% of the share capital. Were these shares to be sold on the market, or if such a sale were to be perceived as imminent or probable, the market price of the Company's shares could be significantly impacted.

In addition, should repayment of the sums due by ETS for the bonds be made before an agreement is concluded between GLAS and the buyer(s), the recovery by ETS of the Company's shares could result in a new significant change in the shareholding structure and governance of the Company, in particular the composition of its Board of Directors.

The Group's exposure to such potential governance and shareholding structure changes and the related uncertainty could affect the implementation of the Group's strategic roadmap, its financing and its income.

Risk management

In this context, the Company's Board of Directors considered that it was necessary to launch a review of the recomposition of its share capital in order to stabilise and consolidate its shareholding structure.

The Board of Directors therefore decided to set up an *ad hoc* Committee to steer the discussions on this issue, in the strict interest of the Company, its employees and all of its shareholders and stakeholders. As of the date of this document, this *ad hoc* Committee comprises the following three members:

- Ms. Orla Noonan, Independent Director, who chairs it;
- Mr. Christophe Cuvillier, Independent Director; and
- Mr. Xavier Véret, Independent Director.

More generally, the Company relies on the following rules and procedures in order to better identify the components of its shareholding structure:

- the Company's Articles of Association provide that any shareholder exceeding the threshold of 1% of the share capital or voting rights (and any multiple of 1%) must inform the Company thereof within four trading days;
- shareholder identification studies are carried out periodically, and at least once a year.

In addition, the Company's governance bodies are organised in such a way as to ensure their total independence.

IMAGE AND REPUTATION RISK

Description of the risk

The performance of the Group is closely related to the success and reputation of its four brands, Sandro, Maje, Claudie Pierlot and Fursac, which themselves depend on factors such as the design of the clothes, their distinctiveness and quality, as well as the image of the Group's points of sale, its business activities, its relationship with the public and its marketing policy.

The integrity and reputation of the Group's brands are among its most important assets. Products or a communications policy that do not adequately reflect the brands' image, distribution networks that do not comply with the Group's standards, inappropriate conduct by brand ambassadors, their staff, Group distributors or suppliers, as well as any circulation of damaging information in the media could affect the Group's brand recognition and image and therefore have a marked impact on brand value. As a reminder, at the end of the 2024 financial year, the Group's goodwill and brands were recognised as assets in the consolidated balance sheet for a total of €1.267 billion.

Due to the constant increase in the number of social networks and their growing influence, the Group may be subject to inappropriate posts or messages, which may damage the reputation of a brand or the Group. These factors could have a material adverse effect on the Group's business activities, financial position, results of operations or prospects.

Risk management

The Group strives to protect the reputation and image of its four brands, Sandro, Maje, Claudie Pierlot and Fursac, through:

- brand value: the Group strives to develop the reputation of its brands while ensuring that strategic decisions are made in close collaboration with the top level of management and that its choices increase the value of the brands;
- distribution network due diligence: in addition, it ensures that the image of its brands is directly controlled throughout the distribution network. For example, its partners and affiliates must adopt a concept for their points of sale that is identical to that of the Group's directly operated stores (by implementing the recommendations in the Group's concept book);
- monitoring of communications: the Group continuously monitors the media and social networks and has a crisis management system that enables it to identify, control and limit the impacts on it. It defines the rules and best practices governing each media intervention by its spokespeople in order to uphold its reputation;
- training of stakeholders, by deploying the following documents, policies and systems:
 - a Code of Ethics;
 - a Policy on the prevention of corruption and conflicts of interest;
 - a "gifts and invitations" policy;
 - the whistleblowing system.

The SMCP Group's partners are also made aware of compliance with the ethical rules set out in the Supplier Code of Conduct available on the external website, in the CSR section under "Ethics & CSR Documents

In addition, the Group has rolled out an "indirect purchasing policy" in response to the Group's strong desire to secure its relations with its suppliers during the various phases of selection, commitment and monitoring. This ensures that the selected suppliers are reliable, that they comply with all applicable laws and regulations as described in the SMCP Supplier Code of Conduct, and that they have benefited from fair business opportunities, to guarantee performance and safety for all.

Finally, the Group has an active intellectual property policy, primarily to avoid any image-related risks arising from the fraudulent use of one of its brands. It has filed for protection or restriction of the use of its trademarks in all countries where it wishes to protect its rights.

LOGISTICS AND EFFICIENT ORDER PROCESSING

Description of the risk

The Group manages its logistics in its central warehouses internally, through its subsidiary SMCP Logistique, and subcontracts its local warehouses in the region. It subcontracts the transport of orders to points of sale (B2B) and customers (B2C) and is therefore exposed to any shortcomings or defects of its service providers, such as delivery delays, loss or theft of goods. If the Group fails to manage its logistics properly and efficiently, it could be faced with excess logistics capacity or, conversely, insufficient capacity, as well as increased costs or delays in supplying its points of sales and delivering orders to customers.

Any breakdown or disruption, in whole or in part, of the Group's logistics or of the activities of its service providers, or international transportation disruption resulting for example from information technology malfunctions, equipment failure, strikes, accidents, natural disasters, pandemics, acts of terrorism, vandalism, sabotage, theft and damage to products, failure to comply with applicable regulations, or any other disruption could affect the Group's ability to supply its points of sale, make timely deliveries to buyers or maintain an appropriate logistics chain and level of inventory.

Any damage or destruction of one or more of the Group's warehouses or those of its logistics service providers, or any theft or vandalism within these warehouses, could result in the destruction or loss of all or a portion of the Group's inventory and fixed assets located in these warehouses, and have a significant impact on the Group's ability to distribute products to its points of sale and to maintain an appropriate logistics chain and inventory levels.

Risk management

Warehouses

In order to efficiently manage order processing, the Group relies on three internal sites in France, located in the Paris region, and a semi-automated order picking system. Abroad, the Group relies on five outsourced sites (one site in New Jersey in the United States, one site in Hong Kong to serve South-East Asia, two sites in Shanghai to serve Mainland China and a recent site in Sydney). The warehouses and their inventories are covered by the Group's insurance policies as described below in paragraph 2.2. "Insurance and risk coverage".

The Group's warehouses are equipped with an early fire detection system, as well as a sprinkler system. In addition, barrier screens and fire doors prevent the potential spread of a fire. In the event of destruction of part of the preparation equipment (finished product warehouses, inventory intended for customers and shops), the inventory and staff can be transferred to one of the other warehouses which has the infrastructure and IT systems to manage this surplus of activity.

In addition, in order to maintain high-quality social dialogue, an essential component of an effective logistics chain, the Group pays particular attention to the management of human resources in its warehouses and implements a number of measures (creation of a warehouse-specific HR department, whistle-blowing system open to warehouses).

Inventories

In addition, a destruction of inventory would be covered by insurance (lost products and sales), leaving the possibility of absorbing the loss before launching and receiving a replacement production. In addition, inventories in transit expected for waves of product launches later in the season would be used upon receipt. In the event of destruction of materials or equipment in the raw materials warehouse, manufacturers can receive materials directly from suppliers.

Transport

The Group has several transport options (air, sea, road and rail) and a number of partners that it can call upon should any of them fail, or in the event of any international disruption. These partners offer several route options for the same destination in order to mitigate local risks and unforeseen events.

2.1.2 Risks related to the Group's strategy and organisation

STRATEGY AND EXECUTION RISK

Description of the risk

The Group strives for strong international development, by multiplying its distribution channels (development of digital), growing comparable stores and a policy of acquiring brands (Fursac in 2019) and distributors (Australia in 2023).

In order to sustain this development, the Group must maintain a relevant strategic direction, allocate the necessary human and financial resources to the right projects at the right time, while ensuring sound financial situation and responsible marketing policy.

Failure to execute the Group's strategy could lead to:

- a slowdown in growth, leading to an erosion of margins;
- a loss of market share compared to competitors, particularly in a fragmented and competitive retail ready-to-wear market, with strong innovation and development of new services (e.g. the circular economy);
- a loss of revenue (and, as a result, an increase in inventories) if the collections offered by the Group do not respond to the trends and preferences of consumers and in particular its target customers, which could lead to offering higher discounts;
- a lower quality of locations making up the store network;
- a lack of attractiveness in recruitment;
- accounting losses related to the loss of value of brands or stores.

Risk management

The Group strives every day to limit the risk related to the execution of the strategy, particularly in respect of its development.

All important and financially significant decisions as well as key processes (multi-year Business Plan, for example) are discussed by the Executive Committee and, depending on their nature or scope, by the Board of Directors.

The Group also relies on strong performance review and decision-making governance:

- brands are independent in their creative process so that they can develop products that are attractive to customers while respecting their uniqueness. Indeed, the Group considers that it is particularly important to maintain this diversity, to be in line with consumer expectations and trends;
- The Group's presence in its distribution channels and its development strategy (including store openings, renovations, transfers and closures as well as lease renewals) are discussed by the Store Committee and are based on a strategic, financial and legal analysis coordinated by the Development Department;
- the Strategy Department leads a Strategic Projects Committee, to approve each project (outside the network), putting innovation at the heart of strategy for new service launches, aimed at both improving the omnichannel customer experience and meeting market challenges (second-hand, repairs, rental);
- the Finance Department coordinates a monthly performance review, both globally under the Executive Committee and by Business Unit in order to ensure the proper execution of the business plan and dynamically readjust forecasts (rolling forecast);
- reviews are carried out each season (spring/summer and autumn/winter) between the Management Committee of each brand and the Group Executive Committee to discuss the strategy for the season (products, physical and digital distribution, communication, compliance with CSR commitments on responsible marketing etc.) for products, distribution channels and communication;
- where appropriate, the Group works with consultants specialising in a particular topic or region in order to develop its knowledge of the market and consumer expectations, and to ensure that its strategy is relevant;
- employee managers are assessed on the basis of objectives consistent with the Company's strategy.

Finally, central teams bring together necessary and pooled skills (IT, digital transformation, CSR, architecture, development, logistics, finance, human resources, legal, tax, strategy, etc.) that support recently-acquired businesses (brands or distribution subsidiaries), therefore enabling their smooth integration into the Group, optimising their development and promoting synergies and value creation.

TRANSFORMATION AND LACK OF IT AGILITY

Description of the risk

The Group's success partly depends on its ability to develop, transform and adapt to specific market factors in order to meet demand in the best possible way.

All of the Group's business activities are supported by information systems, including store and e-commerce payment systems, and more generally all supply chain systems.

If the Group fails to align its information systems with the needs of the Company and to adapt to digital transformation (obsolete information systems which cannot support growth), this could negatively impact the Group's business activities, agility and development. Any emergency implementation of new systems could generate costs and disruptions that would impact the efficiency of the Group's operations.

Risk management

The Group relies on its internal team as well as external consultants to optimise development of its activities.

The Group manages its applications and infrastructure centrally, through:

- the Group Operations and Transformation Department;
- structured governance of all projects.

The Group has a solid IT infrastructure and an ambitious roadmap to maintain its application base, support its growth and demonstrate agility to successfully complete its projects and their operational deployment. The choice of technological partners is made after offers are approved based on economic, technological and functional criteria.

Each new project is presented to the Group's Strategic Projects Committee for review and approval in the presence of the Group Chief Executive Officer, the Group Operations and Transformation Director, the Group Finance Director, the Group Strategy Director and the Chief Executive Officer of the brand or sponsoring region. A second project portfolio management body also manages priorities and project planning.

HUMAN RESOURCES MANAGEMENT AND LOSS OF TALENT

Description of the risk

The Group's success and future growth are based in particular on the unique savoir-faire of its creative teams, built around their founders and united around a General Management team which is responsible for design and marketing strategy policies. The sustainability of this savoir-faire and these strategic positions could be threatened in the event of an accident, illness or the departure of one or more managers.

In addition to managing succession plans for key people, another major issue is maintaining constructive and harmonious relations with employees and employee representative bodies. Although it strives to ensure harmonious relationships, and while no industrial action has occurred in the past, the Group cannot guarantee that strikes or similar action will not interfere with its business in the future.

Finally, the Group prioritises talent management, including quality of life at work, benefits and compensation policies, as well as health and safety.

Risk management

In order to manage the risk related to the possible departure of key members of its management and creative team, the Group has, in recent years, taken care to put in place a number of measures, which cover both the creative teams and the operational departments (at Group, brand or regional head offices):

- strengthen these teams by recruiting new talent, from international luxury groups or competitors, while continuing to engage its top people through a dynamic internal mobility policy at all levels of the Company, and by working with reputable recruitment firms to map the market for key people;
- develop a strong employer brand strategy, which highlights the values and DNA of the Group and its brands, through high-quality applicant and employee experiences, inspiring onboarding paths, a strong work environment, internal surveys, various training programmes, partnerships with schools, the promotion of diversity and equal opportunities and, more generally, an ambitious responsibility and sustainability policy, involving all stakeholders and giving meaning to each role.

As for the key people in charge of creating the collections, the brands bring together more than a hundred designers, stylists and pattern makers to ensure continuity through transfer of knowledge from the founders.

The Human Resources Department has a policy of continuous training for new employees with a dedicated training path. Along with the promotion of internal mobility and regular skills and performance assessments, training is one of the main drivers to support and develop employees, helping them to progress their career with the Group. Employee loyalty is one of the Group's strategic objectives. The Group develops and encourages internal mobility to build on its talent. It also prioritises initiatives and innovation such as hackathons, which contribute to employee development and retention. Dedicated policies are in place to promote diversity, inclusion and equal opportunities, notably reflected in the deployment of the new Group strategy which prioritises parenting and disability.

The Group is committed to strengthening its employer and brand reputation through other initiatives, such as the employment assistance programme, the Retail Lab, conducted in partnership with the Institut Français de la Mode and Ema Sup, and its partnerships with charities working for causes that reflect the values of its brands.

SMCP's Economic and Social Unit (UES) organises employee representation in France, which promotes social dialogue, an essential component for the Group.

2.1.3 Risks associated with the Group's social and environmental responsibility

SUPPLIER DEPENDENCE

Description of the risk

The Group does not own or operate any manufacturing sites and therefore depends entirely on third parties for the manufacture of the products it markets. It could become dependent on these players (delays, business interruption) and/or suffer an increase in raw material costs. Also, production by one or more manufacturers could be interrupted or delayed, temporarily or permanently, due to economic, social or technical problems, natural disasters, armed conflicts or pandemics.

The raw materials used to manufacture the products marketed by the Group (mainly cotton, leather, wool, silk, polyester and viscose) are subject to availability constraints, changes in regulations, customs and quality requirements. From raw materials to finished products, the production lines for ready-to-wear products and accessories are particularly long and globalised. A lack of product traceability could ultimately expose the Group to image risks and operational mismanagement.

The Group relies on its manufacturers to ensure that the products it sells comply with relevant specifications and quality standards. Quality control procedures may not detect a defect. These defects could also result in a significant decline in Group sales and expose the Group to liability.

The Group is also exposed to the risk of using chemicals while manufacturers are producing its products. Apart from the negative impact of such acts, whether real or alleged, on the Group's reputation, they could incur the civil or criminal liability of the Group and, if the Group were convicted, have a material impact on its financial position.

Risk management

The Group has several potential suppliers for each product line and ensures that their geographical origin is diversified. Each year, new suppliers are identified in order to limit the development of dependency relationships.

The brands rely on a stable base of suppliers with whom they have established relationships of trust and a common desire for continuous improvement, and have structured and demanding policies on the safety and quality of the products they market. The social and environmental compliance policy for suppliers is managed by the Group CSR Department and is regularly monitored as part of compliance reviews carried out by the Internal Audit Department.

Management of all of the Group's production lines is the responsibility of the Production Directors, who are members of the Management Committee of each of the brands.

In order to meet the challenges of traceability, in 2022 the Group launched a project to track all the manufacturing stages of its products. Information on the manufacturing steps and the level of traceability achieved is communicated to customers *via* an in-store QR code and a URL link on its website product pages.

The Group markets products that comply with current quality and safety standards and regulations and relies on a comprehensive control system, with:

- standards common to all the brands which are appended to the General Terms and Conditions of Sale;
- compliance tests carried out by accredited laboratories on materials or finished products;
- independent service providers inspect products on a sample basis before they are shipped to the warehouse.

Product recalls are very rare and quality returns on sale represent a very low percentage.

RESPECT FOR HUMAN RIGHTS, FUNDAMENTAL FREEDOMS AND ETHICS

Description of the risk

Human resources is one of the key components of the Group's business activities, and compliance with ethics, labour law regulations and workplace health and safety rules has a significant effect on its business. Although the Group strives to ensure compliance with these regulations and ensure that employees in all countries where the Group does business have an equivalent level of training, qualification and protection, it cannot guarantee that potential shortcomings in these areas do not exist. Thus, non-compliance by the Group with these obligations could lead to large fines or substantial claims against the Group related to the violation of these arrangements. Furthermore, these regulations are regularly modified and made stricter, and changing the way the Group is organised to ensure compliance could generate considerable costs.

Although social and environmental responsibility is a major issue for the Group, given its rapid development and international presence, the Group cannot exclude the possibility that breaches or behaviour contrary to its values may occur that could have a negative impact on its reputation and its results. The Group does not rule out the possibility that its suppliers or manufacturers may not comply with local labour law, applicable laws in the area of social protection as well as their commitments to the Group, in particular those contained in its Supplier Code of Conduct.

Some raw materials used to manufacture the products sold by the Group are sourced from animals (such as leather and wool). The Group has defined supply standards for all its raw materials, but may be exposed to the risk of its suppliers and their subcontractors not complying with animal welfare standards throughout the production chain.

The Group is the subject of a claim filed in France in 2021 by three non-governmental organisations (NGOs) against four ready-to-wear companies, including SMCP, accusing them of subcontracting part of their production or of marketing goods using cotton produced through the use of forced labour in the Xinjiang region of China. This complaint was dismissed in April 2023. A claim with civil action was filed by the NGOs. It was reportedly subject to an order of lack of jurisdiction and refusal to notify in May 2024. The appeal filed by the three NGOs against this decision was reportedly dismissed by the Paris Court of Appeal in February 2025.

Risk management

The Group values human life and is aware of the societal differences that may exist in the different countries in which the Group operates. This is why the Group has developed a global responsible policy regarding compliance with human rights, anti-discrimination and anti-corruption. The Group's Code of Ethics and Ethics Committee are the foundations of this policy. The Ethics Committee is responsible for collecting, reporting and processing alerts relating to the Code of Ethics.

The Group diligently monitors the compliance of its suppliers and manufacturers with applicable labour law and social security regulations as well as with acceptable social and environmental standards. By way of illustration, the SMCP group, a signatory of the United Nations Global Compact, has formalised its requirements vis-à-vis its suppliers, particularly in the area of human rights, through its General Purchasing Conditions and its Supplier Code of Conduct. By signing these documents, suppliers undertake to comply with, and to ensure that their suppliers and subcontractors comply with all the clauses of these documents. The Group regularly conducts audits through an independent expert to ensure this. These audits make it possible to assess the level of risk of suppliers on social issues, but also to define any corrective actions and thus implement the necessary action plans. SMCP Group's policy is to work with suppliers who manufacture high-quality products and who adhere to, respect and apply its Supplier Code of Conduct (for more details, see Chapter 3 "Sustainability Report", paragraph 3.3.2 "Workers in the value chain").

The SMCP group has a duty of care when it comes to any procurement sourced from animals. To respect and encourage animal welfare, the Group has set out requirements in its General Purchasing Conditions. The four brands stopped using fur in early January 2020 and down and feathers in 2023, and the brands are gradually increasing the use of RWS-certified wool that guarantees animal welfare and traceability of the entire supply chain.

Regarding the claim filed by three NGOs, which has been dismissed and has been subject to an order of lack of jurisdiction and refusal to notify, SMCP had always strongly refuted the accusations made against it, and had contacted the competent public prosecutor to state this and let it know that it would cooperate fully with the investigation to prove that these accusations were false. SMCP filed a claim against X (unknown person) for slander on October 22, 2021. These accusations seem to have been based on a report published in 2020 by the Australian Strategic Policy Institute (ASPI) on the forced labour conditions imposed on Uighurs in the Xinjiang region. However, this report did not state that the SMCP group had resorted to such forced labour, but only that its majority shareholder at the time had factories in this region. Since October 2022, the reference to SMCP and its brands no longer appears in the ASPI report.

EVOLUTION OF MAJOR GLOBAL CLIMATE AND BIODIVERSITY ISSUES

Description of the risk

Climate change causes disruption (heat, rising water levels, extreme events) and impacts on biodiversity and ecosystems.

It also causes operational, regulatory and political transition issues (taxation, restricted operations).

The loss of biodiversity and ecosystem damage threaten the sustainability of the natural resources from which our brands are sourced, weaken the planet and disrupt people's living conditions.

Consumers of fashion products are increasingly aware of the sector's environmental impacts, and in the future are likely to favour brands and products that can demonstrate real progress in this area. These changes in consumer expectations could have a negative impact on the Group's revenue and reputation if it does not get a grip on this issue.

Risk management

The SMCP Group is highly aware of the environmental issues in the textile industry, and is committed to a continuous environmental improvement approach to limit its impact on the climate and biodiversity:

- climate strategy: the Group has a trajectory for reducing its greenhouse gas (GHG) emissions in line with the ambition to limit global warming to 1.5°C set by the 2015 Paris Climate Agreement. The Group's absolute GHG emission reduction target is -36% for Scopes 1, 2 and 3 between 2022 and 2030. The Group is in line with its trajectory, with a -19.8% reduction in its GHG emissions between 2022 and 2024. The carbon footprint reduction policies mainly cover SMCP's Scope 3 GHG emissions and are based on three major focus areas (for more details, see paragraph 3.2.2 of the sustainability report):
 - improving energy efficiency and switching to renewable electricity at the sites operated by the Group;
 - reducing the impact of the marketed products, by working on the procurement of certified or recycled raw materials (e.g. organic cotton) and on decarbonising the energy mix of the most energy-consuming processing steps, while implementing lean production processes to reduce unsold items;
 - reducing the share of air freight in the transport of goods;
- biodiversity strategy: in 2024 the Group drafted a strategy for the preservation of biodiversity based on four key principles:
 - avoid having a negative impact on nature;
 - reduce unavoidable impacts;
 - restore and regenerate ecosystems critical to the proper functioning of the planet;
 - transforming underlying systems to address nature's loss drivers.

As part of this strategy, several targets have been set for 2030 regarding the certification of materials, water consumption related to the manufacture of products and the reduction of the agricultural area required for the Group's supplies (for more details, see paragraph 3.2.5 of the sustainability report).

2.1.4 Financial risks

LIQUIDITY RISK

Description of the risk

To finance its business, the Group must ensure that it has access to the funding resources provided by both financial institutions and/or financial markets.

The liquidity risk, as well as the restrictive clauses of the current financing contracts (limitation, contractual debt commitments, change of control clauses), could have negative consequences, such as:

- diverting a significant portion of cash flows from operating activities to servicing and repaying its debt, thus reducing the Group's ability to use available cash flows to finance growth or other general corporate purposes;
- restricting the Group's ability to implement its external growth policy;
- increasing the Group's vulnerability to a slowdown in business or economic conditions; and
- restricting the Group's ability and that of its subsidiaries to borrow additional funds or raise capital in the future if contractual debt commitments are not complied with.

All of this could have an adverse effect on the Group's business, results, the financial position and development, particularly in comparison with competitors with lower levels of debt.

The liquidity risk could be aggravated if certain factors were to arise, some of which are beyond the Group's control (economic environment, financial market conditions, regulatory changes, etc.).

Lastly, the Group is also exposed to the risk of refinancing its debt on satisfactory terms, particularly in terms of access to liquidity, maturity and margins.

Risk management

The Group has implemented a financing policy that enables it to rely on significant, flexible liquidity.

This policy is based specifically on:

- a high-quality relationship with the numerous banks making up its banking pool (between ten and twelve depending on the type of financing) which are geographically diversified (French, European and American banks);
- substantial drawn debt with a satisfactory maturity; thus, for example, of the €237 million of net debt which constituted the core financing of the SMCP Group at the end of 2024 (Term Loan A and State Guaranteed Loans - PGE), €155 million (i.e. more than 70%) will mature in over one year;
- short-term liquidity to manage very short-term changes in cash flows, which may take the form of bank overdrafts, showing the support and confidence of the banking pool, or NEU CP programmes (commercial paper);
- short- and medium-term flexible financing offered by the Revolving Credit Facility of €200 million, which helps the Group to withstand major external shocks, as was the case during the health crisis.

Liquidity risk is monitored and managed by the Financing and Treasury Department, which has access to real-time reports on international cash positions and is in daily contact with the financing banks.

It should also be noted that:

- the Group's financing is free of all sureties and pledges;
- in December 2024, the Group obtained the agreement of the majority of its lenders to increase the maximum level of its debt ratio covenant from 2.5x to 3.25x, for the test of December 31, 2024. This level remains unchanged at 2.5x for the other future test dates. As a result, as of December 31, 2024, the Group is in compliance with the financial covenants of the financing contracts, with a debt ratio of 2.6x;
- the details of the Group's financing are shown in Chapter 4, paragraph 5.4.2 of the Activity Report, and the debt maturity schedule can be consulted in Chapter 6, paragraph 6.11 of the consolidated financial statements.

MARKET RATE FLUCTUATION AND COUNTERPARTY RISK

Description of the risk

Currency fluctuations

A significant portion of the Group's revenue (around 39% in 2024) is generated in foreign currencies, notably Chinese yuan, US dollar, pound sterling, Canadian dollar and Swiss franc. A portion of its cost of sales is also made in foreign currencies, including purchases made in US dollar or Chinese yuan with suppliers in Asia, especially in China.

The Group also holds certain assets that are recorded in its balance sheet in foreign currencies. Thus, an unfavourable change in currency exchange rates may have an impact on the financial position and results.

Interest rate risk

The Group is exposed to a risk of fluctuation in interest rates given that the interest rates on some of its debt are indexed to the market rate, plus a margin.

Any increase in interest rates could therefore increase the cost of the Group's debt.

Credit and counterparty

Credit and/or counterparty risk is the risk that a party to a contract entered into with the Group will default on its contractual obligations resulting in a financial loss for the Group.

The financial assets that could expose the Group to credit and/or counterparty risk are mainly receivables from suppliers or partners (notably in the event of payment default or failure to comply with payment deadlines), cash and cash equivalents, investments and derivative financial instruments.

As such, the default of the Group's major partners, especially department stores or the Group's leading export partners, could affect the Group's profitability and financial position.

Risk management

Foreign exchange risk management

The Group has a central foreign exchange risk management system for its subsidiaries. This risk stems from foreign currency commercial buying and selling transactions. The risk is hedged through forward and optional foreign exchange transactions for the main currencies to which the Group is exposed. At the end of the hedging period which takes place on average six months before the start of a season, an average foreign exchange rate is calculated for the collection and used as the basis for the guaranteed exchange rate. Concerning unhedged currencies, market rates are used as the guaranteed exchange rate. Sensitivity analyses of the Group's income and equity to the fluctuations of the euro are presented in Note 4.17 to the Group's consolidated financial statements for the 2024 financial year.

Interest rate risk management

The Group may have to set up appropriate hedging instruments in line with the fixed rate/floating rate allocation objectives. To date, the Group has not implemented such instruments.

In addition, the Group is working to reduce its gross liabilities in order to mitigate the negative effect of potential interest rate increases.

In addition, the Group has adopted a policy of investing its available cash, thus enabling it to benefit from interest rate increases.

Credit and counterparty risk management

The Group's exposure to credit risk is limited insofar as the Group favours the use of directly operated free-standing stores and concessions to distribute its products. This direct operating method represents more than 91% of its consolidated annual revenue in 2024. With regard to concessions in department stores, the partner collects the revenue and then transfers it within a very short timeframe.

The Group has implemented a credit risk management procedure, and very regularly reviews the situation of trade receivables for the wholesale and concession parts of the business (at least once a month). The risk of non-recovery of these receivables in the event of a payment default or the disappearance of customers is limited by:

- insurance underwriting;
- obtaining bank guarantees;
- prepayment for orders placed with the Group's brands.

Cash and cash equivalents are invested only in partner banks close to SMCP. These banks are leading institutions with no prior incidents recorded with SMCP, and in countries where there is no risk of confiscation.

FRAUD RISK

Description of the risk

Threats of fraud have been increasing for a number of years now, with:

- ever more ingenious schemes;
- the development of the digital sector;
- the development of artificial intelligence.
- deep fake and deep voice spreading.

The Group is particularly exposed to the risk of fraud due to its commercial activities, its extensive network of stores, its relationships with its commercial partners and its geographical presence in multiple countries. In the event of an incident of fraud, the financial loss could be relatively significant.

Although the Group strives to guarantee the safety and security of its assets and ensure that employees in all countries in which it does business have an equivalent level of training, qualification and protection, it cannot guarantee that potential shortcomings in these areas do not exist.

Risk management

The Internal Audit Department has set out internal control standards for a set of key Group processes. Due to the large number of prevention and detection controls associated with this risk, these standards form the primary foundation of the anti-fraud system.

There is an annual self-assessment campaign in place for the framework. The entities then send a letter of representation to the Group, thus making the entity's Chief Executive Officer and its Finance Director accountable for the level of internal control maturity of each entity.

As part of its duties, the Internal Audit Department analyses whether the self-assessment ratings provided by the subsidiaries are consistent with the results of the audits.

In addition, payment transactions are managed centrally by the Group's Cash Flow Department, using a single integrated tool. Specific validation and control rules are defined, verified and audited regularly in order to guarantee a high level of internal control.

Finally, as part of the coordination of internal control, to raise awareness and prevent the risks of fraud, the Internal Audit Department sends out a fraud newsletter to all senior managers at least twice a year. These awareness campaigns cover fraud in the store network as well as in support functions (IT, purchasing, payments etc.), and aim to:

- explain the patterns of fraud encountered by the Group or in the same sector;
- remind people of the right habits to adopt;
- summarise known fraud situations around the world.

2.1.5 Legal and regulatory risks

INFRINGEMENT ON REGULATORY CHANGES AND LITIGATION RISKS

Description of the risk

The Group, which operates in France and abroad, is subject to numerous laws and regulations, in particular those relating to labour law, consumer and personal data protection, complex tax laws related to its international activity, product liability, advertising, customs regulations, working hours, Sunday and evening work, safety standards and being open to the public, bulk selling, sales and liquidations, corruption and influence peddling as well as environmental law.

Although the Group is mindful and diligent about complying with applicable international regulations, it cannot rule out any risk of non-compliance. Failure by the Group or some of its partners, associates and affiliates to comply with applicable regulations may expose it to fines and other criminal or administrative sanctions, such as the loss of accreditations, and may damage its reputation.

In addition, the Group may be required to incur significant costs in order to comply with regulatory changes in France and/or abroad and cannot guarantee that it will always be in a position to adapt its activities and its organisational structure to these changes within the required time frame and at reasonable cost.

If the Group is unable to comply with and adapt its business to new national, European and international regulations, recommendations or standards, this could have a material negative impact on its business activities, reputation, results, financial position or outlook.

Provisions will be made for contingencies and losses if the Group and its advisors deem that financial penalties related to non-compliance are probable. As of December 31, 2024, the total amount of provisions for disputes involving the Group was €1.6 million. In addition, it cannot be excluded that in the future, new proceedings, whether or not connected to existing proceedings, relating to risks currently identified by the Group or resulting from new or unforeseen risks, may be brought against a Group company.

Due to the Group's international business, it is subject to complex tax legislation in the various countries in which it operates. Changes in tax legislation and varying rates for different taxes and duties (including value added tax) could have material adverse consequences for the Group's tax position, the actual tax rate that it pays or the amount of tax that it is liable for.

In addition, tax regulations in the various countries in which the Group operates may be subject to differing interpretations. Therefore the Group cannot guarantee that the relevant tax authorities will agree with its interpretation of the applicable legislation. A challenge to the Group's tax situation by the relevant authorities could result in the Group paying additional tax, adjustments and fines that could be significant.

Risk management

The Group's Legal Department monitors legal developments in case law, regulations and legislation, and ensures that it complies with the regulations of the countries in which it operates. In France, the Legal Department is made up of two business units composed of general lawyers and specialised legal experts in charge of supporting the Group's business lines and brands, particularly in the field of real estate law, intellectual property law, commercial law, corporate law, securities law, consumer law and personal data protection law. In Asia, it has a regional division made up of lawyers located in Hong Kong and in Mainland China.

Employment law issues are handled by the Human Resources Department, in conjunction with the Legal Department.

In all the regions in which it operates, the Group also relies on local law firms, which are involved in regular and comprehensive legal monitoring.

The Group's Legal Department attaches great importance to effectively protecting the interests of Group companies during their contractual negotiations, ensuring specifically that the commitments and the responsibilities of each party are clear. The Group ensures that its suppliers sign off on the Group's General Purchasing Conditions and Supplier Code of Conduct. It has implemented an assessment process that includes the conduct of regular audits and compliance programmes that also help to protect it against liability risks.

The Group's Tax Department ensures that the laws in force in the countries in which the Group operates are complied with. The Group transmits the required information to tax administrations. It also facilitates the performance of their investigations. The Group performs tax audits and sets up any required action plans.

The Group does not fall within the scope of tax schemes such as DAC6. The Group is committed, in particular in the context of its transfer pricing policy (internal sales of products and interest rates on current accounts and intercompany loans), to complying with the principles of the OECD aimed at the harmonious distribution of profits in the various jurisdictions.

Finally, ethics and compliance are key values and of major concern for the Group. In this context, through its Legal and Internal Control Departments, the Group has implemented a whole system in order to comply with international and national laws against corruption and influence peddling, such as the French Sapin II Law and equivalent laws in other countries. This system is detailed in the ESRS G1 Governance chapter of the sustainability report of this universal registration document.

Compliance checks on certain points of the anti-corruption program are also carried out during operational audits to ensure the proper implementation of the compliance system.

ANTI-COUNTERFEIT MEASURES AND SECURING INTELLECTUAL PROPERTY RIGHTS

Description of the risk

The Group considers that its brands, its domain names, its know-how and any other intellectual property rights of which it is the owner play a crucial role in its success and development. The ready-to-wear and accessories retail market is also subject to extensive counterfeiting. Third parties may imitate its products and infringe on its intellectual property rights. The Group cannot guarantee that the various prevention measures and the proceedings it brings to protect its intellectual property rights will prevent third parties from marketing products identical or similar to its own. Unauthorised reproduction or any other misappropriation of the Group's intellectual property rights and products may diminish the value and reputation of its brands and may negatively affect the prices at which the Group can sell its products. Lastly, the Group cannot guarantee that its intellectual property rights are adequately protected in all markets in which it operates.

Moreover, as part of its business, the Group may be sued for infringement of third-party intellectual property rights (including trademarks and rights to drawings and models) which may force it to pay damages and interest, may prevent it from manufacturing or marketing certain products or developing new products, and may lead it to conclude coexistence agreements, agree licences or withdraw the disputed products from sale.

To the Company's knowledge, there are no proceedings (including any pending proceedings or threatened proceedings of which the Group is aware) that could have a material impact on the Group's financial position or profitability.

Risk management

The Group's intellectual property policy is based on several areas. Firstly, the Group ensures that its trademarks and domain names are protected through filings or reservations in all countries in which the Group operates or wishes to uphold its rights, in particular with a view to their expansion. The Group has also recently implemented a design and model filing strategy to strengthen the protection of its accessories. It has a portfolio of 551 trademarks registered worldwide, primarily including the names: "Sandro", "Maje", "Claudie Pierlot" and "Fursac", as well as ten designs and models. The Group also has a portfolio of approximately 616 domain names.

Secondly, the Group has set up a global monitoring on the internet to identify the unauthorised reservation of domain names, the unauthorised use of its intellectual property rights on "fake" sites or on social networks, or the sale of counterfeit products on online marketplaces and sales sites. The Group has implemented a specific policy to combat counterfeiting, with particular focus on France and Asia. The different actions are handled by the Group's Legal Department, brands and Business Units with the assistance of external advisers and in conjunction with appropriate local authorities. In addition, the Group works closely with the customs services to ensure that they are aware of the characteristics of the Group's products. In this respect, the Group is a member of Unifab (Union des Fabricants), the main French association in charge of the fight against counterfeiting. The Group also conducts an active policy of legal remedies in the event of counterfeiting or, more generally, infringement of its intellectual property rights by third parties.

Finally, the Group's Legal Department ensures that the entire creative process is protected, and works closely with the brands to prevent the risk of third-party challenges. This includes the upstream review of the collections, time stamping of creations, training provided to the studios and cooperation with studios when creating the collections.

2.2 Insurance and risk coverage

The Group endeavours to ensure that it has the best possible insurance coverage for all identified and insurable risks.

In addition, the Group carries out detailed updates to identify and classify its insured or insurable risks, and determine any necessary changes to existing insurance policies.

Policies usually last for two years and expire on July 1. Each policy renewal triggers a review with the major players in the global insurance industry.

Generally, the Group purchases insurance policies from well-known, solvent, leading international insurance companies. Policies are spread over several companies to eliminate any inherent risk.

Insurance policies are selected on the basis of appropriate estimated coverage levels and acceptable excesses.

Current policies cover the following main risks:

- corporate and employer third-party liability;
- non-life insurance/multi-risks;
- insurance against fraud;
- cyber risk insurance;

- corporate officers' civil liability;
- freight and personal transport insurance;
- compulsory local insurance.

The Group's insurance policies are selected by identifying the level of coverage that is necessary for the reasonably estimated likelihood of the occurrence of liability, damage or other risks. This appraisal takes into account the assessments made by the insurers as the risk underwriters. The coverage limits of the above policies were determined in order to provide maximum cover for potential upcoming risks and possible claims.

Uninsured risks are those for which no offer of insurance coverage is currently available on the market or for which insurance is offered at a cost that is disproportionate to the potential benefit of insurance, or risks the Group does not believe require insurance cover given its ability to withstand any resulting financial consequences.

Following 2023, a year in which the Group made more claims than previously (without reducing its insurance cover or significantly increasing its premiums beyond the increase in market costs), 2024 was more in line with 2021 and 2022 with no major claims.

2.3 Internal control and risk management

Risk management concerns the measures that the Group implements to identify, analyse and control the risks to which it is exposed in the course of its activities.

Risk control is carefully monitored by the Group's Senior Management, with the close involvement of the Internal Audit Department. The Group deploys risk management and internal control systems to manage these risks. The internal risk management and control systems are based on a combination of appropriate resources, procedures and actions which are adapted to the current regulatory environment, intended to ensure that the necessary measures are adopted to allow the Group:

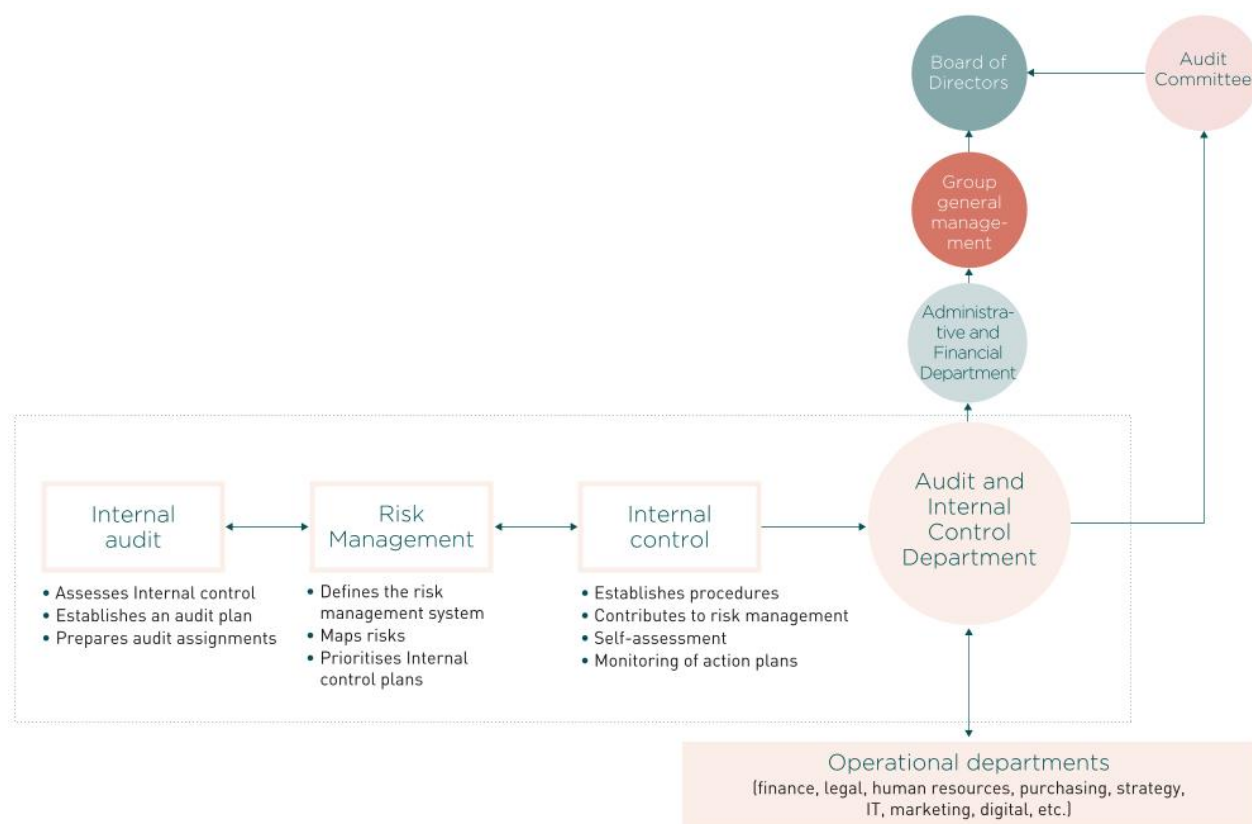
- to achieve its objectives, accomplish its missions and detect opportunities to develop its business, in compliance with its values, ethics and applicable laws and regulations; and
- to protect its main assets, which form the basis of its business (property, plant and equipment and intangible assets and, notably, its trademarks), to identify critical points and internal and external events and at-risk situations for the satisfactory conduct of its business activities.

The internal control procedures are part of the Company's ongoing improving process of identifying, assessing and managing risks.

The Audit and Internal Control Department has rolled out a Group internal control standards (Internal Control Essentials – "ICE") whose purpose is to strengthen the internal control system and improve the level of maturity. These standards form part of the risk management approach, and lists all the key controls in place within the Group's various entities and within its distribution network. It is broken down into two reference documents: "ICE Corporate Book" and "ICE Retail". The risk management and internal control approach and these standards are based on the internal control reference framework prescribed by the AMF.

The entities carry out an annual self-assessment campaign to show their level of compliance with internal control maturity. The Chief Executive Officer of each entity is responsible for risk management and the level of internal control of all its subsidiaries.

Continuous monitoring of the internal control system and periodic review of its operation are carried out at several levels:



Risk management relies on measures implemented by the Group to identify, analyse and control the risks to which it is exposed. The risk management system is subject to regular monitoring by senior

management at the Group's operational entities, who report on risks to the Group Internal Audit and Control Department.

2.4 Supervisory bodies

The Group's internal audit, control and risk management processes are led by its Internal Audit and Control Department, which allows the Group, with its rapidly developing activities and structure, to identify and prevent the risks that it may face. The Audit and Internal Control Department has four functions: (i) risk management, (ii) internal control, (iii) internal audit and (iv) ethics and compliance.

Internal control and risk management is the responsibility of the operational senior management of each Group entity, under the control of the Internal Audit and Control Department. Within each of these entities, the person responsible for risk management (generally the Chief Executive Officer or Financial Manager) is responsible for verifying the satisfactory application of preventive procedures and the possibility of introducing new procedures that could, after examination by the Internal Audit and Control Department, be applied across the whole Group. The Internal Audit and Control Department plays a key role by establishing procedures applicable at the Group level (that is, with no distinction between the four brands) and by defining the framework under which subsidiaries fulfil their responsibilities for internal control and risk management. It also coordinates the functioning of the overall system.

2.5 The risk management system

The Group's overall internal control and risk management system uses the international "COSO" (Committee of Sponsoring Organizations of the Treadway Commission) standards as a starting point, and is based on several aspects, including:

- the control of operating risks;
- the management of the Group's overall risks at various levels (entities, functional departments and subsidiaries);
- the mapping of major risks for the Group;
- the oversight of the Group's internal control system ("ICE");
- the organisational structure and system of the Ethics Committee;

- the internal audit, which, as an independent assurance function, evaluates the effectiveness and functioning of the overall system and reports to the various parties responsible for governance.

The Sustainability report in chapter 3 of this universal registration document also contains information on the Group's objectives, structure and risk management system.

A detailed description of the procedures implemented to ensure compliance with the provisions of the Law of December 9, 2016 on transparency, the fight against corruption and the modernisation of economic life, known as the "Sapin II Law", can also be found in this Chapter 3.



Sustainability report

3.1	General information [ESRS 2]	66	3.5	Appendices	158
3.1.1	Basis for preparation	66	3.5.1	Methodological note on data reporting	158
3.1.2	Governance	69	3.5.2	Disclosure Requirements in ESRS covered by the undertaking's sustainability report (IRO-2)	162
3.1.3	Strategy	73	3.5.3	Required data points in cross-functional and topical standards derived from other legislative texts of the European Union (ESRS 2, Annex B)	165
3.1.4	Impact, risk and opportunity management	83	3.5.4	Cross-reference tables (SDGs, GRI)	167
3.2	Environmental information	97	3.6	Report on the certification of sustainability information and audit of the information provided by SMCP in line with the disclosure requirements provided for by Article 8 of Regulation (EU) 2020/852	172
3.2.1	Climate change [E1]	97			
3.2.2	Pollution [E2]	105			
3.2.3	Water and marine resources [E3]	107			
3.2.4	Biodiversity and ecosystems [E4]	109			
3.2.5	Resource use and circular economy	113			
3.2.6	Information on the European Taxonomy	117			
3.3	Social information	125			
3.3.1	Company personnel [S1]	125			
3.3.2	Workers in the value chain [S2]	143			
3.3.3	Consumers [S4]	147			
3.4	Information on business conduct	151			
3.4.2	Corporate culture and business conduct policies (G1-1), and prevention and detection of corruption and bribery (G1-3)	153			
3.4.3	Management of relationships with suppliers (G1-2)	155			
3.4.4	Traceability	156			

3.1 General information [ESRS 2]

3.1.1 Basis for preparation

3.1.1.1 GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY REPORT (BP-1)

This sustainability report covers all the activities and countries in which the SMCP Group and its brands are located. The information is presented on a consolidated basis at Group level and relates to the period from January 1 to December 31, 2024.

This scope of activities identical to that of the consolidated financial statements. The detailed list of the companies covered by the scope of consolidation is available in chapter 6 "Financial statements" of the 2024 universal registration document, and under Note 8.4 "Scope of consolidation" of the Notes to the consolidated financial statements.

This sustainability report presented below was prepared in the context of the first year of application of the CSRD provisions.

The Group has endeavoured to apply the standards-based requirements set by the ESRS and the European Taxonomy, as applicable at the date of preparation of the sustainability report, on the basis of the information available within the deadlines for preparing the sustainability report.

This first Group sustainability report is characterised by specific contextual aspects related to the first year of application of the CSRD requirements, including:

- The non-availability of the information required by the ESRS at December 31, 2024, on the subject of substances of concern, due to the imprecise nature of the guidelines and the time required to report on this new information.

- Uncertainties regarding the interpretation of certain data points to report on the Group's control of systems related to the IROs.

In this context, on the basis of market practices and recommendations and a better understanding of these new regulatory and standards-based provisions, the Group may have to review certain reporting and communication practices in future versions of its sustainability report. These changes, if they occur, will be transparently explained and justified in future sustainability reports. The Group is committed to a continuous improvement approach as part of this reporting and communication process.

Some metrics are not reported on the entire scope of consolidation due to the unavailability of data. Details of the coverage rate are specified for the metrics in question.

The content of the sustainability report has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD). It includes information concerning both SMCP's operations and, where relevant, its value chain (upstream and/or downstream), so as to reflect the main impacts, risks and opportunities identified in the double materiality analysis.

The drafting of this report is based on the fundamental principles set out in ESRS 1, namely: relevance, fair representation, comparability, verifiability and comprehensibility.

3.1.1.2 DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES (BP-2)

Estimates and uncertainties

Several environmental metrics are calculated on the basis of estimates, mainly due to the unavailability of data in the Group's upstream value chain.

More occasional estimates are also made of the energy consumption of certain stores located in shopping centres for which the actual consumption is not reported by the landlord.

To date, the Group has not identified an action plan to reduce these estimates. The main estimates are presented in the appendices under paragraph 3.5.1 "Methodological note on data reporting".

Below are the data points that are not published in this sustainability report:

- E2-5 DP 34: The Group was unable to publish the total quantities of substances of concern that leave the company's facilities within products due to the absence of set international standards for substances of concern. However, the Group monitors the products sold to ensure that they do not contain substances considered to be of very high concern as defined by the European REACH Regulation.

Below are the data points that have been interpreted in this sustainability report:

- S1-10 DP 67-71: The Group has chosen to consider that a living wage corresponds to a statutory minimum wage in each of the countries in which it operates. This definition may require further analysis in the future and may be adjusted if necessary.
- E5-5 DP 36: The expected longevity, recyclability and repairability of textile products are not subject to official reference definitions. The products offered for sale by the Group are designed to be worn numerous times in accordance with the care instructions specific to each material. All the parts sold can be recycled in some way (e.g. fraying to make insulation) although, like the market as a whole, a negligible share can be recycled in a closed loop to make new clothes. The Group does not have information enabling it to determine whether the end of life of its products differs from the average for clothing and fashion accessories sold in the countries in which it operates. All sold products can be repaired if the damage caused by the user of the product is not excessive. These definitions will be adjusted in the future if stable sector-specific standards are created.

Changes in preparation or presentation of sustainability information

As 2024 is the first year of publication of the sustainability report, all the processes for calculating the metrics were reviewed to be aligned with CSRD requirements. For the majority of the 2024 metrics, the 2023 data is also presented for comparison. However, certain indicators are being calculated and disclosed for the first

time in fiscal year 2024 and are therefore not presented in comparison with 2023 data, for example, packaging consumption or the share of at-risk functions covered by training programmes.

Following methodological changes, there has been an adjustment to the calculation of greenhouse gas emissions for 2022, which is the base year for the Group's SBTi-validated carbon footprint reduction targets (Science Based Targets initiative). The 2022 emissions published in the 2023 Statement of Non-Financial Performance have been recalculated in 2024^[1], due to:

- using the actual weight of products rather than estimates;
- the application of more recent emission factors from the European PEF 3.1 database;
- the inclusion of emissions related to land use, in particular for agriculture and forestry ("Land use change" emissions in SBTi terminology).

Publication of information from other legislative acts or generally accepted statements regarding sustainability information

SMCP is also subject to European Regulation 2020/852 of June 18, 2020 (known as the "Green Taxonomy" Regulation) and delegated regulations (EU) 2021/2139 and (EU) 2021/2178. The information related to this Regulation is available in paragraph 3.2.6 "Information on the European Taxonomy". In addition, the list of data points required in cross-functional and topical standards derived from other EU legislative texts in application of ESRS 2, Annex B, is available in the appendix.

[1] 2022 data published in the 2023 sustainability report: 259,360 tCO₂e.
Revised 2022 data published in the 2024 sustainability report: 283,457 tCO₂e.

Incorporation by reference

The table below specifies the disclosure requirements that have been incorporated by reference.

Disclosure Requirements	Information incorporated by reference	Paragraph in which the information is found
GOV-1 – The role of the administrative, management and supervisory bodies	Details on the missions, composition (GOV-1 20 a), roles and responsibilities (GOV-1 20 b, 22), expertise and ESG skills of the governance bodies and their members (GOV-1 20 c, 23)	4.1 Organisation of governance: "Composition of the Board of Directors on April 16, 2025" page 180; "Main areas of expertise and experience of the directors and the observer" page 195; 4.1.3.2 Missions page 197; 4.1.4.1 Audit Committee page 203; 4.1.4.2 Nominations and Compensation Committee page 204; 4.1.4.3 Sustainability Committee page 205
GOV-1 – Board's gender diversity	Board's gender diversity (GOV-1 21 d)	4.1 Organisation of governance: "Composition of the Board of Directors on April 16, 2025" page 180; "Gender balance representation of women and men" page 195
GOV-1 – Percentage of board members who are independent	Percentage of board members who are independent (GOV-1 21 b & e), number of executive and non-executive members (GOV-1 21 a & b)	4.1 Organisation of governance: "Composition of the Board of Directors on April 16, 2025" page 180; "4.1.2.3 Independence of directors" page 196
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Details concerning the content of meetings and work carried out during the 2024 financial year (GOV-2 24,25,26)	4.1.4.1 Audit Committee - (c) page 203; 4.1.4.2 Nominations and Compensation Committee - (c) page 204; 4.1.4.3 Sustainability Committee - (c) page 205
GOV-3 – Integration of sustainability results into incentive schemes	Details of the CSR criteria taken into account (GOV-3 27,28,29)	4.2 Compensation and benefits page 208
GOV-5 – Risk management and internal controls over sustainability reporting	Details on risk management, assessment method (GOV-5 34), identified Group risks (GOV-5 36 c) as well as organisational and supervisory bodies (GOV-5 36 a,b,d,e)	2.1 Risk factors page 42; 2.3 Internal control and risk management page 62; 2.4 Supervisory bodies page 63; 2.5 The risk management system page 63
SBM-1 – Strategy, business model and value chain	Business model (SBM-1 42)	Business model page 4
G1-6 – Payment practices	Information on payment terms for suppliers and customers (G1-6 33 d)	6.14 Trade and other payables page 300

3.1.2 Governance

3.1.2.1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV-1)

The CSR strategy, covering policy, action plans and objectives is driven by the Group Board of Directors and Executive Committee and implemented by SMCP's CSR Department with the help of contacts within the brands and the various geographical segments. SMCP's

CSR Department is made up of experts specialising in the various areas covered by the CSR strategy (traceability, social audits, climate, biodiversity, eco-design, diversity and inclusion, etc.) and who are in charge of proposing strategic options to the governance bodies, providing technical support to business unit operational teams^[1] and shaping their roadmaps, managing ESG reporting and responding to requests from stakeholders (non-financial rating agencies, NGOs, etc.).



[1] Brands, France-Europe regions, North America, APAC.

In 2023, a Sustainability Committee was created within the Board of Directors to ensure that societal and environmental issues are taken on board by the Group's governance. The Sustainability Committee met twice during the year, and was chaired by an Independent Director specialising in sustainable development issues. Details concerning its composition and its missions are available in Chapter 4, paragraph 4.1.4.3 "Sustainability Committee". The two other permanent committees of the Board of Directors are also involved in governance of the CSR strategy:

- the Audit Committee is in charge of monitoring the process of preparing non-financial information and managing the risks related to this information. A non-financial internal control programme will be developed in 2025;
- after consulting the Sustainability Committee, the Nominations and Compensation Committee proposes to the Board of Directors CSR targets to be included in the annual and long-term variable compensation plans for the administrative, management and supervisory bodies.

CSR is represented on the Executive Committee by the Director of Human Resources and CSR. Progress reports are regularly produced within the framework of this body to monitor the CSR strategy targets or set new ones. The various pillars of the CSR strategy "SMCProduct, SMCPlanet, SMCPeople" are also subject to specific monitoring by dedicated steering committees involving Group representatives and Group brand representatives.

Information on composition and diversity, roles and responsibilities as well as the expertise and powers of the administrative, management and supervisory bodies⁽¹⁾ [GOV-1 20 c, 23] and their members are available in Chapter 4, paragraphs 4.1.1 to 4.1.4.

With regard to business conduct, SMCP has set up an Ethics Committee composed of the Human Resources and CSR Director, the General Counsel, and the Audit, Internal Control and Compliance Director. This Committee's main missions include:

- helping to define the Group's rules of conduct and ethical culture;
- ensuring compliance with these rules, values and culture through the deployment of the compliance programme;
- promoting the Group's guiding principles and encouraging the development of best practices in these areas through various policies (see paragraph 2.5 "The risk management system") and ensuring that they are properly disseminated;
- collecting, analysing and processing alerts and reports relating to conduct or situations which contravene these rules, values and principles.

This committee meets at least twice a year, including at least once in the with the Group Chief Executive Officer, to manage the implementation of the compliance programme.

3.1.2.2 INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV-2)

Information on the implementation of CSR policies, the effectiveness of the action plans as well as proposals for new strategic goals are presented to the Sustainability Committee every six months, which reports to the Board of Directors. Details concerning the content of the meetings and work carried out [GOV-2 24,25,26] during the 2024 financial year are available in Chapter 4, paragraph 4.1.4.3 "Sustainability Committee".

In addition, joint meetings were held between the members of the Audit and CSR Committees to monitor the progress of the preparation work for the 2024 sustainability report. This report is finally validated by the Audit Committee based on the conclusions formulated by the Statutory Auditor Deloitte, before being approved by the Board of Directors.

3.1.2.3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES (GOV-3)

Integration of CSR targets in the compensation of executive corporate officers

Each year, the CSR targets to be included in the annual and long-term variable compensation (free performance share plans) for the Group's corporate officers (Chief Executive Officer and Deputy General Managers) are proposed by the Sustainability Committee in relation to the three pillars of the Group's CSR strategy: SMCProduct, SMCPlanet and SMCPeople, and submitted to the Nominations and Compensation Committee. These targets are then approved by the Board of Directors.

In 2024, for the Chief Executive Officer and the Deputy General Managers, the non-financial criteria represented:

- 25% of the annual variable compensation [GOV-3 27,28,29 see details in Chapter 4, paragraphs 4.2.1.2 and 4.2.2.1];
- 20% of long-term variable compensation made up of free share plans (see details in Chapter 4, paragraphs 4.2.1.2 and 4.2.2.1).

Among these annual variable compensation criteria, one is systematically focused on improving the Group's climate policy. For 2024, the rating awarded by the Carbon Disclosure Project⁽²⁾ has a weighting of 40% of the total CSR criteria for the Chief Executive Officer (i.e. 10% of the total annual variable compensation) and 25% for Deputy General Managers (i.e. 6.25% of total annual variable compensation).

(1) See "Main areas of expertise and experience of the directors appointed by the General Meeting and of the observer".

(2) Launched in 2000 as a non-profit association, the Carbon Disclosure Project (CDP) is considered to be the leading global initiative on the reporting and assessment of companies' carbon performance.

For 2025, the climate objective will be to reduce the carbon footprint mainly impacted by product manufacturing. Therefore, the objectives related to increasing the share of recycled materials in the collections and specifically increasing the share of recycled wool and cashmere will have a weighting of 15% in the overall CSR criteria (i.e. 3.75% of total annual variable compensation).

A criterion related to the Group's climate policy is also included in the CSR criteria for the long-term variable compensation at 10%. In 2024, the objective was the score obtained in the Carbon Disclosure Project assessment, and in 2025, it was the 14.5% reduction of the Group's greenhouse gas emissions between 2022 and 2025. This reduction target was set in alignment with the SMCP climate objectives for 2030, validated by the Science Based Targets initiative (SBTi).

Integration of CSR targets in the variable compensation of management teams and employees

Since 2024, CSR criteria have been systematically included in the individual targets of members of the Group's Executive Committee and represent on average 10% of their annual variable compensation. Most members of the Management Committees also have annual CSR targets related to their areas of responsibility, which determine a portion of their variable compensation.

SMCP's top management, made up of around 100 managers, are also covered by free performance share plans (LTIPs) including up to 20% CSR criteria. These free share plan targets are identical to those of the corporate officers.

In addition, since 2022, two CSR targets been taken into account when calculating incentives for Group employees working in France (excluding Fursac). They represent 60% of the criteria taken into account. In 2024, the targets were to increase the proportion of products manufactured with certified materials and the quality of employee recruitment and integration.

3.1.2.4 STATEMENT ON DUE DILIGENCE (GOV-4)

SMCP's due diligence procedure is performed by experts in the various ESG areas. This collective approach ensures that the Group's practices are aligned with SMCP's CSR strategies and overall strategy.

Core elements of due diligence	Reference
Embedding due diligence in governance, strategy and business model	3.1.2.1 "The role of the administrative, management and supervisory bodies (GOV-1)"; 3.1.4.1 "Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)"; 3.1.3.3 "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)"
Collaborating with affected stakeholders at all stages of due diligence	3.1.3.2 "Interests and views of stakeholders (SBM-2)"
Identifying and assessing negative impacts	3.1.4.1 "Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)"
Taking measures to address these negative impacts	See the policies and targets, actions and resources paragraphs of the various ESRS
Tracking the effectiveness of these efforts and communicating	See the metrics paragraphs of the various ESRS

3.1.2.5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING (GOV-5)

In 2024, in preparation for the application of the CSRD, the SMCP Group carried out a double materiality analysis. The methodology and results of the double materiality analysis are available in

paragraph 4.1 "Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)" of this sustainability report.

Following the double materiality analysis, the double materiality results and the Group's risk mapping were aligned to ensure consistency between the two approaches and that all material matters are integrated in the Group's risk mapping.

The link between the Group risk analysis and the double materiality analysis is presented in this cross-reference table:

Group risks – net analysis	Material matters related to the CSRD – raw analysis
Strategy and execution risk	• Responsible marketing • Circular fashion
Fraud risk, Infringement on regulatory changes and litigation risks	• Business ethics
Supplier dependence	• Balanced relationships with the Group's suppliers • Traceability • Product safety for consumers
Evolution of major global climate and biodiversity matters	• Climate change mitigation and adaptation • Energy consumption • Protection of biodiversity • Eco-design of products and rational use of resources • Water consumption • Waste and end-of-life product management • Pollution of air, water and soil
Human resources management and loss of talent	• Quality of social dialogue • Employee diversity and inclusion • Talent development • Employee health, safety and quality of life at work • Compensation and benefits
Respect for human rights, fundamental freedoms and ethics	• Human rights in the value chain • Respect for animal welfare
Cyberattacks and information system failures	• Cybersecurity and personal data protection

The Group risk analysis is reviewed annually. Details on risk management, the assessment method (GOV-5 34), the Group risks identified (GOV-5 36 c) as well as the organisational and supervisory bodies (GOV-5 36 a, b, d, e) are available in Chapter 2, paragraphs 2.1, 2.3, 2.4 and 2.5 of the universal registration document.

The analysis of Group risks is a clear analysis, which assesses the risk taking into account the control measures put in place by the

Company. However, the analysis of ESG matters is carried out on a raw basis, i.e. without taking into account the mitigation procedures and measures put in place by SMCP.

Details of the action plans associated with its risks are presented in Chapter 2, paragraph 2.1 "Risk factors" of this universal registration document.

3.1.3 Strategy

3.1.3.1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN (SBM-1)

SMCP strategy and Group business model

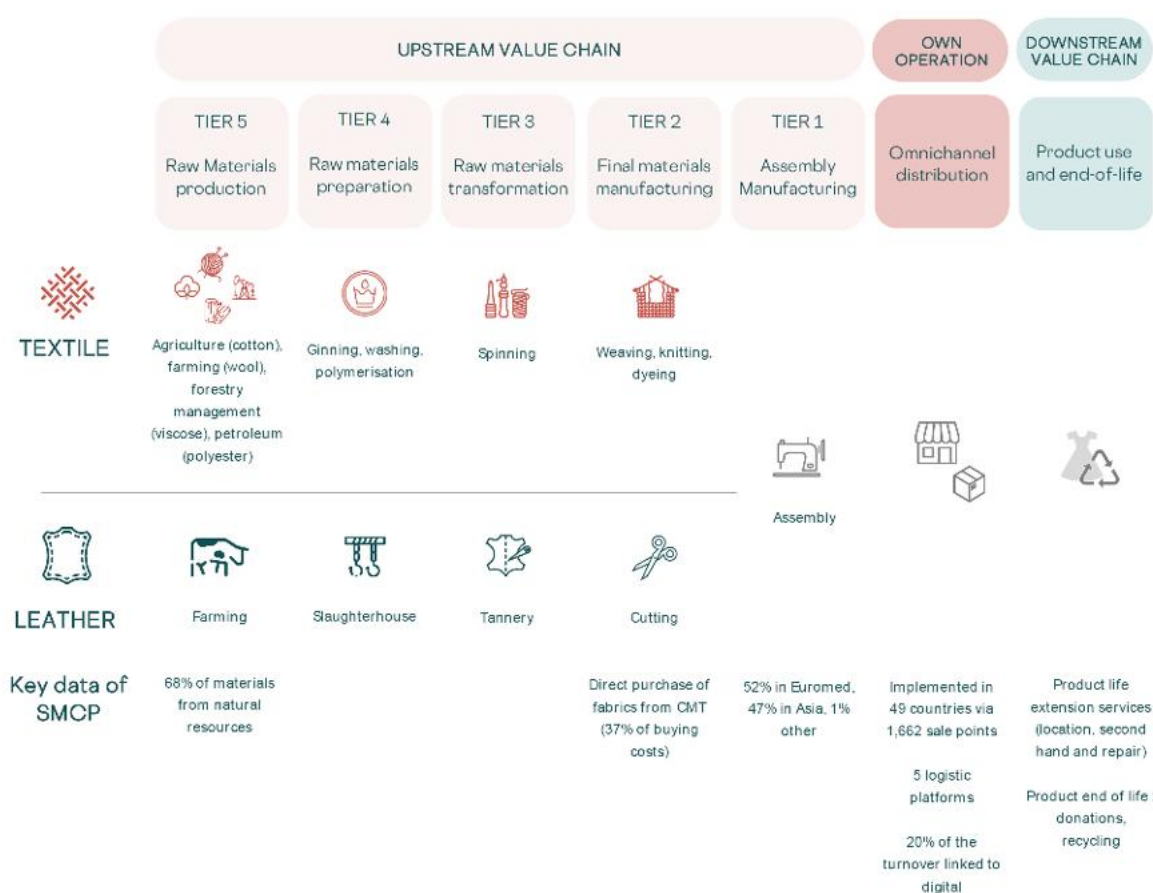
The SMCP Group aims, through its brands, to diffuse Parisian elegance globally with the help of employees acting as passionate and responsible entrepreneurs.

The Group's business model is presented on page 4, in the form of an infographic.

This graphic approach provides a didactic understanding of the Group's operations, its unique points and the resources which it is reliant on to generate economic, environmental, social and societal value for its various stakeholders.

SMCP's operations are based on a creative foundation, historically supported by its founders and today supported by its workshops, which design ready-to-wear and accessories collections^[1] in Paris for women and men, but also through a unique alliance between purchases of finished products and cut-and-sew goods. Our agile value chain and accessible brands ensure that the creativity of our luxury collections is known the world over.

The infographic below shows the main stages of the Group's value chain:



The SMCP Group strives to develop the uniqueness, responsibility and influence of Sandro, Maje, Claudie Pierlot and Fursac while using pooled resources. To do this, the Group has built a strategy based on five pillars, including one dedicated to CSR, with a common goal of improving efficiency and productivity. Added to this vision is

the Group's aim to be an employer with the same appeal as its brands.

More details on the strategic priorities adopted by the Group are available in Chapter 1, paragraph 1.5 "Strategic priorities".

[1] Accounting for 90% and 10% of revenue respectively.

Integrating CSR at the heart of the business model

As illustrated in the business model, CSR is one of SMCP's strategic priorities.

The Group's CSR strategy is based on three pillars, SMCPProduct, SMCPPlanet and SMCPPeople – the "3 Ps", which aim to meet the major social, societal and environmental challenges identified by the Group in line with its activities and the expectations of its stakeholders.



Parisian elegance is only desirable if it is sustainable



SMCPProduct

ESRS E5, ESRS S2

Design traceable and more responsible collections by offering products made from materials and processes with lower environmental impact, intensify all circular economy initiatives of the brands, while ensuring compliance with good social manufacturing conditions.



SMCPPlanet

ESRS E1, ESRS E2, ESRS E3, ESRS E4

Reduce the carbon footprint based on science-based targets, as well as the Group's impacts on ecosystems and biodiversity, by acting on product manufacturing, transportation, and the use of renewable electricity in stores.



SMCPPeople

ESRS S1

Enhance employee well-being and professional growth by promoting internal mobility, developing training programs, and fostering a culture of diversity and inclusion focused on gender equality, parenthood, disability, and social inclusion.

Brands have taken ownership of the Group's strategy and expressed it through their own DNA:

- Sandro *For The Future*
- Maje *Dream Tomorrow*
- Claudie Pierlot *Claudie Cares*
- Fursac *Tailoring the future*

Business Ethics

ESRS S4, ESRS G1

as an essential principle for the sustainable development of the Group's activities and a guide for relations with stakeholders.

This strategy is implemented within the Group's four brands through annual roadmaps and targets, with milestones set between 2025 and 2030. The table below reflects the Group's main commitments and how they are related to the CSR strategy and CSRD challenges.

Pillar	ESRS	Key performance indicator	2022	2023	2024	Objective	Target year	Progress
 SMCProduct	E5	Percentage of collections with the lowest environmental impact ⁽¹⁾ – in % of SKUs	46%	52%	66%	100%	2030	
	E5	Percentage of certified materials ⁽²⁾ used to manufacture products	32%	43%	54%	100%	2030	
	S2	Percentage of socially audited tier-1 suppliers	-	-	100%	100%	Annual	
	G1	Percentage of SKUs for which traceability exceeds regulatory requirements ⁽³⁾	12%	50%	65%	100%	2027	
 SMCPlanet	E1	Reduction of greenhouse gas emissions – <i>Scopes 1, 2 and 3 vs 2022</i>	0%	-18.3%	-19.8%	-36%	2030	
	E1	Percentage of air transport	37%	26%	28%	<30%	2030	
	E1	Percentage of electricity consumed from renewable energy sources	55%	56%	64%	100%	2030	
	E3	Reduction of water consumption related to product manufacturing – vs 2022	-	-16%	-24%	-30%	2030	
	E4	Reduction of the agricultural area needed to supply the Group with natural materials – vs 2023	-	-	-3%	-5%	2030	
 SMCPeople	S1	Percentage of women on the Company's Board of Directors/Executive Committee	56/62%	56/62%	56/75%	> 50%	Annual	
	S1	Deployment of the Parental policy – as a % of total own workforce	-	-	57%	100%	2025	
	S1	Percentage of employees with disabilities in France	0.60%	0.89%	0.88%	1.8%	2026	
	S1	Average number of training hours per employee trained	-	17 hrs	18 hrs	22 hrs	2027	
	S1	Percentage of store managers from internal development	-	-	69%	≥ 60%	Annual	
	S1	Score for the question "I would recommend working at my company to a friend"	-	7.1	7.3	≥ 7.5/10	2027	

(1) SKUs comprising at least 50% certified materials are included.

(2) Details of the certifications accepted by the Group are available in paragraph E5 under "Reduce the consumption of virgin materials and opt for certified materials during manufacturing".

(3) Minimum traceability to the spinning stage for ready-to-wear and to the tannery for footwear.

As employee commitment is key to achieving the targets of its CSR strategy, the Group strives to regularly share its progress with its teams, in particular through internal communications, awareness-raising actions or during discussions with management teams.

The Group's CSR performance is based on external assessments commissioned by SMCP and carried out both by the Carbon Disclosure Project (CDP) (on our climate policy) and by the non-financial rating agency Sustainalytics on all ESG topics (environment, social and governance).

Over the past three years, SMCP has achieved the following results:

Body	Description	2022	2023	2024
CDP	CDP is an international organisation that encourages companies to measure and publish their environmental data and assesses them according to their performance and transparency.	B	A-	B
Sustainalytics	Sustainalytics issues a rating on companies that takes into account both their exposure to the ESG risks of their business sector and how they manage these risks.	Low Risk	Low Risk	Low Risk

In 2024, SMCP maintained its Low Risk level, therefore among the 18% of the highest performing companies analysed by agency Sustainalytics (of 15,104 companies assessed). The fall in the CDP score is due to the change in the assessment methodology, which now requires that at least 95% of Scope 1 greenhouse gas emissions to be verified by an external third party in order to obtain the A-assessment rating. This verification threshold was not reached in the 2023 reporting. Apart from this aspect, the SMCP score improved in all the categories of the CDP questionnaire and the reduction of the Group's GHG emissions (-19.8% in absolute value between 2022 and 2024) is ahead of its SBTi reduction targets.

In addition, SMCP is a signatory of the United Nations Global Compact. The Global Compact brings together companies and non-profit organisations around CSR and sustainable development issues. It offers a framework of voluntary commitment based on ten principles to be respected in terms of human rights, labour law, the environment and the fight against corruption. It is also mandated by the United Nations to support the implementation of an Agenda 2030 and the adoption of the Sustainable Development Goals (SDGs) by the business world. All SMCP contributions to the SDGs can be found in paragraph 3.6 Appendices "UN Sustainable Development Goals Cross-Reference Table".

3.1.3.2 INTERESTS AND VIEWS OF STAKEHOLDERS (SBM-2)

The Group's main stakeholders are mentioned below, with a summary of their expectations with regard to SMCP and the means of dialogue used to interact with them.



Employees, social partners

EXPECTATIONS

Quality of life at work, training and development, compensation, diversity and inclusion

MEANS OF DIALOGUE

Internal communication, internal satisfaction survey, annual reviews, social dialogue, consultations, collective agreements

Clients

EXPECTATIONS

Customer experience, desirable and high-quality products, transparency, fair communication, good social and environmental production conditions

MEANS OF DIALOGUE

Customer satisfaction surveys, after-sales service, social media, sales advisors

Suppliers and workers in the value chain

EXPECTATIONS

Sustainable relationships, compliance with contractual conditions, stable and clear CSR guidelines, health and safety, good working conditions

MEANS OF DIALOGUE

General purchasing conditions, ethics charter, supplier code of conduct, bilateral meetings, audits, alert channel

Civil society, NGOs

EXPECTATIONS

Reducing negative social and environmental impacts
Creation of positive impacts

MEANS OF DIALOGUE

Partnerships, donations, external communications, direct exchanges alert channel

Shareholders, investors, directors

EXPECTATIONS

Financial and non-financial performance, reduction of financial risks and development of opportunities related to ESG issues

MEANS OF DIALOGUE

Board of Directors, Annual General Meeting, presentation of results, ESG ratings, investor meetings, publication of regulated information

Public authorities and regulators

EXPECTATIONS

Compliance with regulations
Job creation

MEANS OF DIALOGUE

Legal watch and monitoring of forthcoming regulations, involvement in professional bodies, participation in working groups

Fashion industry players

EXPECTATIONS

Collaboration, pooling of resources, definition of voluntary CSR standards

MEANS OF DIALOGUE

Membership of professional organizations: Alliance du Commerce, Fédération de la mode circulaire, Leather Working Group
Participation in working groups

These different methods of interaction with all stakeholders enable the Group to be attentive to changes in their expectations, and to adapt its policies to meet them if necessary. Dialogue with stakeholders primarily shed light on the double materiality analysis carried out in 2024. The resulting essential information is also presented to the Board of Directors' Sustainability Committee.

Employees, upstream value chain workers and consumers are core stakeholders in the Group's strategy and business model. It is essential for SMCP to identify their needs, collect their expectations and have the resources to meet these expectations.

Indeed, the skills of SMCP's 6,592 employees enable the Group and its brands to offer unique collections and experiences around the world. These employees embody the Group's richness and uniqueness, coming from a range of backgrounds and spread between the store network (83%), head offices (15%) and logistics (2%). Knowing how important their commitment is to its success, SMCP takes on board their expectations through discussions with employee representatives, entering into collective agreements and the sending out employee satisfaction surveys.

The focus on employees is reflected in the human resources (HR) strategy, which is structured around three main areas: securing HR basics, adapting organisations to the Group's strategy and the desire to attract, retain and develop talented individuals. This strategy is developed further in the paragraph "HR policies [S1-1]", and is based on policies, processes and initiatives that promote well-being, professional development and inclusion, while respecting employees' employment and human rights.

The upstream value chain workers are the employees of the factories partnered with the Group's brands in Europe, the Mediterranean region and Asia. The production of the Group's collections is based on the know-how of these workers, highlighting the essential nature of long-term partnerships between the brands and their suppliers. Respect for decent working conditions and human rights by suppliers is a key component in preventing risks that could have major consequences, including strikes, decline in productivity, damage to the brand image, or loss of market share due to ethical scandals. The 2024 update to the Group's code of conduct and General Purchasing Conditions reaffirmed the importance SMCP places on the health, safety and the employment rights of people working for its suppliers. To date, SMCP has no formal body for communications with these workers. However, the Group stays informed in several ways, including analysing audit reports to identify shortcomings or best practices, see paragraph 3.3.2 "Workers in the value chain [S2]", and by consulting the NGO reports on working conditions in the textile industry.

At the other end of the chain, consumers play a central role in the Group's strategy. Their growing requirements in terms of customer experience, desirable products and quality, transparency, fair communication, ethics and respect for human rights as well as respect for good employment and environmental production

conditions, have a profound impact on the Group's strategy. True to their promise to spread Parisian elegance around the world, SMCP's brands strive to offer a unique experience and meet the multiple expectations of a mixed and international clientele. Neglecting these expectations could have major consequences for SMCP, including a loss of loyalty, negative impact on reputation and a poor sales performance. With more than 3.3 million active customers⁽¹⁾ and 7.2 million followers worldwide, SMCP is aware of the importance of their satisfaction in its success.

In addition to the aforementioned information, dialogue with stakeholders also resulted in the following actions in 2024:

- systematic inclusion of CSR information in quarterly financial results presentations and at the Shareholders' General Meeting;
- launching or deepening non-profit partnerships with Apprentis d'Auteuil at SMCP, Maison Mode Méditerranée at Sandro, the Rêvelles association at Maje and Force Femmes at Fursac;
- participating in working groups under the aegis of the public authorities on biodiversity and environmental labelling;
- the Group's membership of the Fédération de la mode circulaire, a professional organisation that brings together more than 250 members and whose mission is to promote circularity in the fashion industry and to support the transition of its members towards a more sustainable model;
- participating in sectoral working groups on textile sustainability and social display.

In addition, the Claudie Pierlot brand set up a Stakeholder Committee this year to discuss its CSR strategy. This Committee, which meets twice a year with the brand's Chief Executive Officer, is made up of representatives of Global Compact France, the Fédération de la mode circulaire, the Institut français de la mode and a supplier.

3.1.3.3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

The material impacts, risks and opportunities (IRO) for the SMCP Group are presented in the table below in connection with the ESRS, matters and scopes concerned. The subject of supply chain traceability, which is particularly sensitive in the fashion sector, was added on a voluntary basis by the Group and is therefore not covered by ESRS publication requirements. In accordance with the CSRD guidelines, the impacts, risks and opportunities mentioned reflect an analysis based on the inherent characteristics of the SMCP Group (business sector, geographical location of employees and suppliers, etc.) without taking into account the control measures put in place.

(1) Customers who have made at least one purchase in the last three years.

The table below presents the exhaustive list of impacts, risks and opportunities identified as material. In addition, in order to facilitate the reading of the document, there is a summary of the material IRO for each ESRS.

ESRS	Material ESG matters	Scope concerned	Impacts	Risks/opportunities
E1 – Climate change	Climate change mitigation and adaptation	Upstream value chain	Negative impact: greenhouse gas emissions, primarily during the manufacture and transport of marketed products	- Operational risk: decline in the production of raw materials and disruption of processing operations in countries heavily impacted by climate change, leading to an increase in product manufacturing costs - Regulatory risk: implementation of a carbon tax on textile products in Europe - Reputational risk: customer disaffection for brands that are insufficiently committed to the fight against climate change, leading to a decline in revenue
E1 – Climate change	Total energy consumption	Upstream value chain and own operations	Negative impact: consumption of non-renewable energy resources, mainly during the processing of raw materials (spinning, dyeing, weaving), and on the sites operated by the Group (stores, warehouses and registered offices)	Operational risk: increase in energy prices leading to an increase in product manufacturing and site operating costs
E2 – Pollution	Pollution of air, water and soil	Upstream and downstream value chains	- Negative impact: emissions and discharges of polluting substances into water, air and soil during the product manufacturing stages, and discharges of plastic microfibres into water when washing synthetic fibre clothing - Negative impact: environmental pollution surrounding processing plants (e.g. dyeing factories) that can affect the health of local communities	Non-material
E3 – Water and marine resources	Water consumption	Upstream value chain	Negative impact: water consumption during product manufacturing in areas subject to water stress, particularly for cotton growing	Non-material
E4 – Biodiversity and ecosystems	Protection and restoration of biodiversity and ecosystems	Upstream value chain	Negative impact: degradation of ecosystem services related to the use of raw materials (change of use of land/seabed/freshwater areas, direct exploitation of natural resources, climate change, pollution) and their processing (exploitation of natural resources, climate change, pollution)	- Operational risk: drop in cotton crop yields leading to increased costs in the event of a severe degradation of the ecosystem services essential to its production. - Regulatory risk: breach of regulations to address deforestation - Reputational risk: customer disaffection for brands that are insufficiently committed to protecting nature

ESRS	Material ESG matters	Scope concerned	Impacts	Risks/opportunities
E5 – Resource use and circular economy	Material consumption	Upstream value chain	Negative impact: use of virgin raw materials leading to the depletion of natural resources (natural fibres) or non-renewable resources (synthetic fibres). Various environmental impacts related to raw materials: GHG emissions, pollution, water consumption and harm to biodiversity	- Operational risk: increased costs related to the purchase of certified materials - Regulatory risk: regulations introducing a system of bonuses and penalties on products according to their eco-design credentials - Reputational risk: customer disaffection for brands that are insufficiently committed to the eco-design of products or deemed responsible for excessive production, leading to a decline in revenue
E5 – Resource use and circular economy	End of product life	Own operations and downstream value chain	Negative impact: low collection rate of end-of-life products meaning that these products are sent to inappropriate waste treatment channels. Poor recyclability of products	Non-material
E5 – Resource use and circular economy	Circular services (repairs, rental, second-hand)	Own operations and downstream value chain	Positive impact: extension of product life and reduction in the use of raw materials	- Reputational risk: shifting of brand customers to the purchase of second-hand products on CtoC platforms - Financial opportunity: development of additional revenue through second-hand services, rental and repair. Customer loyalty and recruitment thanks to these new services
S1 – Company personnel	Talent development and skills management	Own operations	- Negative impact: harm to employees' well-being at work in the absence of training, development opportunities or professional support - Positive impact: increased well-being at work for employees benefitting from an effective training and development system	Operational risk: decrease in revenue due to staff training deemed unsatisfactory by customers
S1 – Company personnel	Compensation and social protection	Own operations	Negative impact: deterioration in the standard of living and health of employees in the event of insufficient compensation and social protection schemes	Operational risk: increased costs related to measures to increase salaries or improve the level of social protection of employees
S1 – Company personnel	Health, safety and quality of life at work	Own operations	Negative impact: deterioration of the mental health and physical harm of employees in the event of poor working conditions and a deficient health and safety risk prevention system	Reputational risk: difficulties in attracting and retaining employees due to insufficient commitment to health, safety and quality of life at work

ESRS	Material ESG matters	Scope concerned	Impacts	Risks/opportunities
S1 – Company personnel	Social dialogue	Own operations	Negative impact: infringement of the fundamental freedoms of employees in the event of failing social dialogue	Non-material
S1 – Company personnel	Diversity and inclusion	Own operations	Negative impact: infringement of employees' human rights in the event of discriminatory practices	Non-material
S2 – Workers in the value chain	Respect for human rights, health and safety	Upstream value chain	Negative impact: violation of human rights, health and physical well-being of personnel employed by suppliers	- Regulatory risk: breach of duty of care regulations - Reputational risk: customer disaffection for brands accused of human rights violations by their suppliers, leading to a fall in revenue
S4 – Consumers	Responsible marketing	Downstream value chain	Negative impact: promotion of products or practices that harm the environment or human rights	- Regulatory risk: breach of regulations on misleading or false claims - Reputational risk: customer disaffection with brands accused of irresponsible marketing practices (greenwashing, false allegations, stigmatising communications, etc.) leading to a fall in revenue
S4 – Consumers	Privacy	Downstream value chain	Negative impact: invasion of privacy that could lead to malicious actions in the event of personal data leaks	- Regulatory risk: breach of personal data protection regulations - Reputational risk: loss of interest among customers for brands that do not secure their personal data, leading to a decrease in revenue
S4 – Consumers	Health and safety related to product use	Downstream value chain	Negative impact: harm to the health or safety of customers due to the use of products that do not comply with the relevant standards (e.g. chemicals)	Non-material
G1 – Business conduct	Business ethics	Upstream value chain and own operations	Negative impact: damage to the rule of law and increased inequalities due to corrupt practices	Regulatory risk: breach of anti-corruption regulations
G1 – Business conduct	Balanced relationships with suppliers and subcontractors	Upstream value chain	Negative impact: economic difficulties for suppliers and subcontractors in the event of abusive practices by the Group	Non-material

ESRS	Material ESG matters	Scope concerned	Impacts	Risks/opportunities
G1 – Business conduct	Cybersecurity and personal data protection	Own operations and downstream value chain	Negative impact: invasion of privacy that could lead to malicious actions in the event of leaks of customer or employee personal data	- Operational risks: disruption of information systems in the event of cyberattacks leading to additional costs to restore a normal situation, and a fall in revenue if ordering or collection systems are impacted - Regulatory risk: breach of personal data protection regulations
G1 – Business conduct	Animal welfare	Upstream value chain	Negative impact: animal suffering during breeding or slaughter linked to materials used in the Group's collections (wool, leather)	Non-material
G1 – Business conduct	Traceability*	Upstream value chain	Negative impact: damage caused to the environment and/or human rights infringement by the Group's direct and indirect suppliers due to a lack of knowledge of the parties involved in the various stages of product manufacturing	Regulatory risk: inability to comply with regulations requiring knowledge of all product manufacturing steps (e.g. deforestation, due diligence, AGEC Law)

SMCP's strategy and business model are designed to be resilient in the face of sustainability challenges, and to adapt to the growing expectations of stakeholders.

The Group has put policies in place aimed at reducing negative impacts on the environment, employees and its value chain. The corresponding action plans are monitored and controlled as part of SMCP's overall strategy and, more specifically, through the prism of its CSR strategy.

In terms of risks, SMCP identifies and incorporates sustainability matters into its Group risk management plan, thus ensuring that its mitigation measures are appropriate and effective. This approach reduces legal risks, while protecting the Group against potential business interruptions and consolidating the confidence of investors and partners.

At the same time, SMCP is able to capitalise on the opportunities offered by the transition to more sustainable practices and changing consumer expectations. By expanding its ranges of more

responsible products and by launching new services to boost the circularity of its offer, the Group is adapting to market dynamics while strengthening the desirability of its brands. This ability to anticipate and respond to new trends allows SMCP to maintain a resilient business model, which is less dependent on fluctuations in resources and better prepared for structural changes in its sector.

Details on the interactions between impacts, risks and opportunities and the Group's strategy and business model are available in the following paragraphs:

- Climate change – E1: paragraph 3.2.1;
- Biodiversity – E4: paragraph 3.2.4;
- Company personnel – S1: paragraph 3.3.1;
- Workers in the value chain – S2: paragraph 3.3.2;
- Consumers – S4: paragraph 3.3.3.

3.1.4 Impact, risk and opportunity management

3.1.4.1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

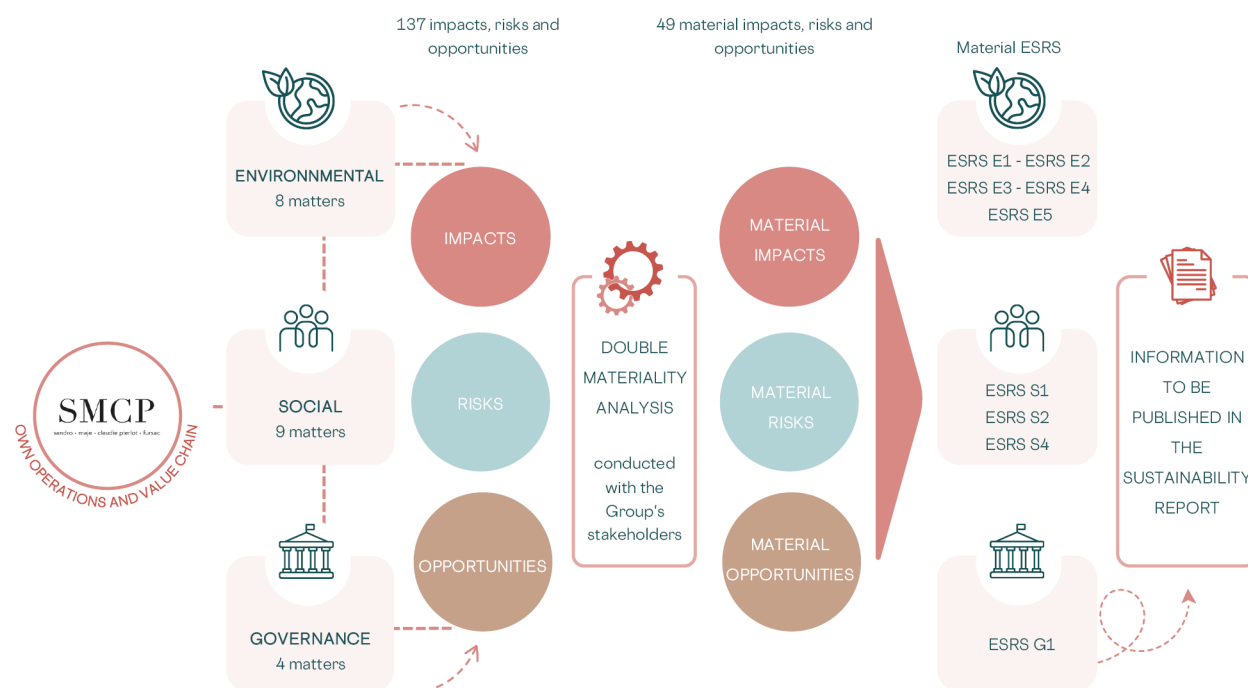
Based on the methodology presented in ESRS 1, SMCP carried out a double materiality analysis in 2024, in order to identify the environmental, social and governance issues related to its activity that could be described as material in terms of their impacts and/or the financial risks and opportunities (IRO) that they represent. This analysis has ultimately been used to identify the data that the Group should publish in its sustainability report.

The double materiality analysis and the preparation of the Group's first sustainability report in CSRD format were overseen by a project committee involving the Group's Finance and CSR Departments. In 2024, a steering committee bringing together the Chief Executive Officer, the Director of Human Resources, the Finance Director, the Director of Audit, Internal Control and Compliance, the Director of Finance Transformation Projects, the CSR Director and Maje's Production Director met monthly to ensure the smooth running of the project and approve the main deliverables.

The double materiality analysis was carried out with the help of a specialised consulting firm that also provided training on CSRD for the members of the steering committee. It was initially reviewed by the members of the Audit and Sustainability Committees in dedicated workshops, before being approved by the Audit Committee and the Board of Directors.

After a first phase of setting out the scope (mapping of stakeholders, identification of the value chain, etc.), the double materiality analysis was carried out based on a three-step methodology:

- 1) identifying ESG matters specific to SMCP and its value chain and breakdown into impacts (adverse/positive, current/potential), risks and opportunities;
- 2) assessing the materiality of the impact and the financial materiality of the IRO, i.e. their importance in view of the Group's business activities;
- 3) consolidating and approving the results of the double materiality analysis to identify the Group's reporting obligations.



Identifying ESG matters and impacts, risks and opportunities (IROs)

As a first step, SMCP identified a list of ESG matters related to its business sector, its business model and its short, medium and long-term development strategy.

This list was then cross-referenced with the topics and sub-topics of ESRS 1, AR-16 proposed by EFRAG, in order to ensure that the Company covers all ESG topics.

Once this list of 21 matters was complete, the impacts, risks and opportunities were identified using the following approach: for each ESG matter identified, the Group considered the associated impacts, risks and opportunities. The analysis framework focused on the following aspects:

- current or potential adverse or positive impacts on the environment, human rights and health and safety;
- financial risks or opportunities related to regulations, employee commitment, operations, customer behaviour and bank and investor expectations.

As for identifying of ESG matters, this approach was based on the specific nature of the Group and its brands. Dependencies on natural resources or suppliers were also taken into account in this analysis. In addition, the entire value chain of the Company as well as all the regions in which the Group operates have been taken into account in the approach to identifying IRO. The list of impacts, risks and opportunities was drawn up by making use of existing strategic documents, and in conjunction with the CSRD steering committee.

Assessment of IRO materiality

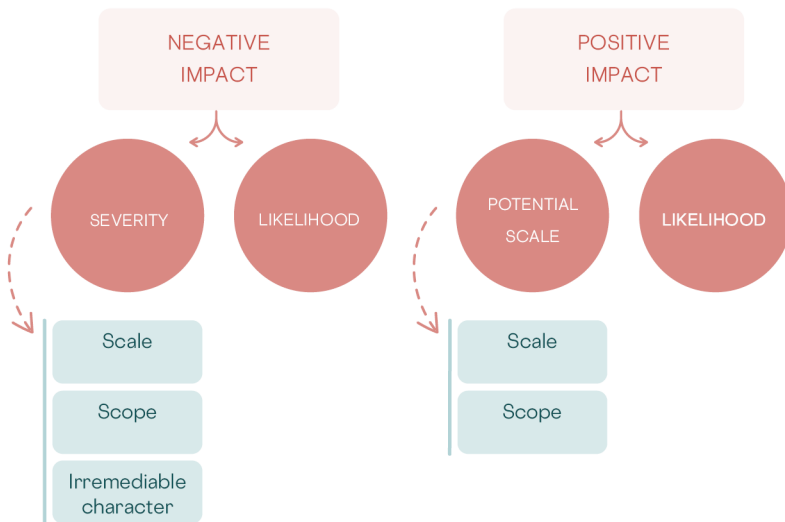
After defining the priority ESG matters for the Group and the associated IRO, around ten rating workshops were held with internal stakeholders, such as members of the Board of Directors and the Executive Committee, and with sales, production, finance and human resources directors. External stakeholder opinions were collated by way of consulting studies published by NGOs, sectoral organisations or public bodies, and by conducting interviews with representatives of the banking sector.

The people consulted were asked to assess the importance of the impacts, risks and opportunities for the various ESG matters according to common criteria, based on a rating scale ranging from 1 to 4, as detailed in the infographic below:

Following this first rating exercise, in the event of discrepancy, the final rating decision was made by the project team and the steering committee during consistency review workshops, ensuring consistency with the results of the Group's risk mapping.

The following methodology was used to assess the various IRO:

Impact materiality assessment



Financial materiality assessment



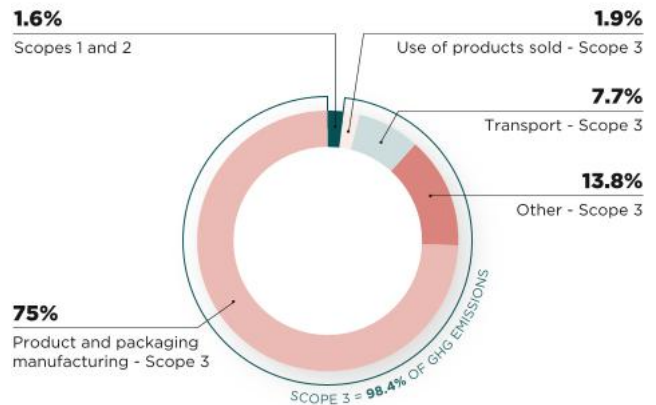
Specifications on IRO identification and assessment procedures in line with the publication requirements for E1, E2, E3, E4, E5 and G1

Climate change – E1

The impacts of SMCP's activities on climate change were assessed on the basis of the results of the Group's carbon footprint carried out each year since 2022, using the GHG Protocol methodology to group emissions into three scopes. These impacts specifically show that, in 2024, indirect emissions (Scope 3) accounted for 98.4% of the Group's greenhouse gas (GHG) emissions and that 75% of emissions are related to the manufacture of products. Carbon reporting makes it possible to identify the main emission sources with a breakdown of materials and the various manufacturing processes.

Scope 1 covers emissions generated by the consumption of gas for heating, petrol for company vehicles and refrigerant leaks from air conditioning systems. Scope 1 represents 0.15% of the Group's emissions. Scope 2 covers the electricity consumption of head offices, warehouses and stores and represents 1.45% of the Group's emissions.

Breakdown of SMCP's 2024 carbon footprint



In 2024, the Group carried out an analysis of the physical and transition risks related to climate change by 2030 and 2050. The material risks identified in this context are presented in the table below:

Physical risks

- Operational risks: decline in cotton crop production worldwide and disruption of processing operations in Asian and North African countries due to the resurgence of acute risks (flooding, heat waves) and chronic risks (decreased productivity due to heat, heavy rainfall, drought), leading to higher product manufacturing costs

Transition risks

- Regulatory risk: implementation of a carbon tax on textile products in Europe
- Reputational risk: customer disaffection for brands that are insufficiently committed to the fight against climate change leading to a decline in revenue
- Operational risk: increase in energy prices leading to an increase in product manufacturing and site operating costs

Types of risks considered in the analysis⁽¹⁾

PHYSICAL RISKS	TRANSITION RISKS	
	Regulations	Market
Acute - Increased intensity and frequency of extreme events: - cyclones - hurricanes - floods (causes of damage to installations, reduced production capacity, etc.)	- Price increase for GHG emissions - Stronger reporting obligations - Regulations on existing products and services	- Changes in consumer behaviour - Uncertainty in market signals - Increased cost of raw materials
Chronic - Change in precipitation patterns and increased variability - Increase in average temperatures - Higher sea levels (cause of damage to installations, increased operating costs, impact on employee productivity etc.)	- Replacing existing products and services with lower-emissions options - Unsuccessful investment in new technologies - Initial cost to develop new low-carbon technology	- Shift in consumer preferences - Stigmatisation of sector - Increase in negative comments by stakeholders

Physical risks result from changes in climate, including the increased frequency and severity of weather events such as floods, droughts and storms, and the breakdown of ecosystems due to the decline of pollinating insects and deforestation.

Transition risks focus on the financial consequences for the Company of a transformation of the economy to adapt to a low-carbon world.

The risk analysis was carried out on the basis of studies and the open access tool Climate Impact Explorer from the Network for Greening the Financial System (NGFS).

A range of metrics was selected on the Climate Impact Explorer tool to cover a representative range of "acute" (extreme events, such as drought, floods and storms) and "chronic" risks (gradual changes such as rising temperatures, humidity or frequency of rainfall).

The selection process also focused on using relevant indicators with regard to the raw materials and transformation processes used to manufacture the products sold by the Group's brands, as well as the location of the Group's sites (registered offices, stores and warehouses).

The analysis was carried out at country level, with the exception of four countries for which an additional regional analysis was carried out (China, United States, India and Turkey). The countries selected correspond to the main areas in which SMCP brand suppliers are located, which were identified using the traceability tool (see paragraph 3.4.4 "Traceability").

(1) Source: I4CE, adapted from TCFD (2016), Recommendations of the Task Force on Climate-related Financial Disclosure.

SCENARIOS CONSIDERED IN THE RISK ANALYSIS

Risks	Scenarios
Physical risks	• RCP¹ 2.6/sustainable development scenario (cross reference SSP1-2.6): CO₂ concentrations in the atmosphere would stabilise at around 450 ppm by 2100, resulting in an average global temperature increase of around 1.5 to 2°C; • RCP 4.5/intermediate scenario (cross-reference SSP2-4.5): CO₂ concentrations would reach around 650 ppm between now and 2100, with an average global temperature increase of around 2.5-2.9°C; • RCP 8.5/development based on fossil fuels (cross-reference SSP5-8.5): CO₂ concentrations would exceed 1,000 ppm between now and 2100, with an average global temperature increase of +4°C.
Transition risks	NGFS scenarios: • "Net zero 2050": Ambitious scenario that limits global warming to 1.5°C thanks to strict climate policies and innovation, to achieve net zero CO₂ emissions around 2050. This scenario assumes that ambitious climate policies will be introduced immediately. Transition risks for the economy could result from high carbon prices, with continuous gradual growth, and significant consumer awareness of climate change and its consequences • "Delayed transition": This scenario assumes that annual global emissions do not decrease before 2030. Strong policies are then necessary to limit warming to less than 2°C. Emissions temporarily exceed the carbon budget and decrease more rapidly than in the "Well below 2°C" scenario after 2030, to guarantee a 67% likelihood of limiting global warming to below 2°C. Transition and physical risks are higher than in the "Net Zero 2050" scenario • "Current policies": This scenario is limited to the policies currently implemented, resulting in high physical risks. Emissions increase until 2080, resulting in a warming of around 3°C. Carbon pricing is low, consumer awareness and demand for sustainable products is limited

[1] Representative Concentration Pathway: a description of scenarios created by the Intergovernmental Panel on Climate Change. RCP scenarios can be used for future climate modelling.

Pollution – E2

The SMCP Group has no operational or financial control over production sites that generate polluting emissions into the water, air or soil. However, the Group's business is indirectly responsible for the emission and discharge of pollutants during the manufacture, use and end of life of the products marketed by its brands.

To assess the nature and scale of the pollution generated by its business activity, SMCP carried out an analysis based on impact factors from the European EF 3.1 database. Calculations are made on the basis of the quantities of materials used in 2023 and the geographical origin of the suppliers. Emissions of plastic microfibres were estimated based on data from the European Environment Agency.

Some metrics have been excluded from the data presented below due to a lack of reliability^[1] or an impact level that is too low^[2]. Waste production is discussed in the ESRS E5 paragraph. The potential effects on people's health have been considered by consulting studies.

The results of the analysis are summarised below in the form of an infographic.

[1] Ionizing radiation, human toxicity.

[2] Ozone layer depletion.

IMPACTS OF SMCP'S ACTIVITIES ON POLLUTION

Level of importance of the category in the pollution generated by SMCP's activity



Pollution		Raw materials					Process- ing	Transport	Stores	Use and end of life
		Oil*	Wood**	Cotton	Wool	Leather				
 Pollution of water	Freshwater eutrophication									
	Marine water eutrophication									
	Ecotoxicity									
	Plastic microfibres		N/A	N/A	N/A	N/A		N/A	N/A	
 Pollution of air	Acidification									
	Fine particulate matter									
	Photochemical ozone formation									
 Pollution of soil	Land eutrophication									

* Petroleum is the raw material used to manufacture synthetic fibres (polyester, polyamide, etc.)

** Wood is the raw material used to manufacture artificial fibres (viscose, modal, etc.)

The analysis carried out shows that the production of raw materials of animal origin (wool and leather) is the main source of polluting emissions in the environment from SMCP's activity for the majority of the impacts studied. Textile processing requires significant water and energy consumption, which have impacts on the environment and health, in particular on the eutrophication of fresh water, air acidification, emissions of fine particulate matter and the formation of photochemical ozone. Plastic microfibres are emitted in large

quantities when washing synthetic clothing (polyester, polyamide and acrylic). Microplastics can be toxic when ingested by marine species such as birds, fish, mammals and plants.

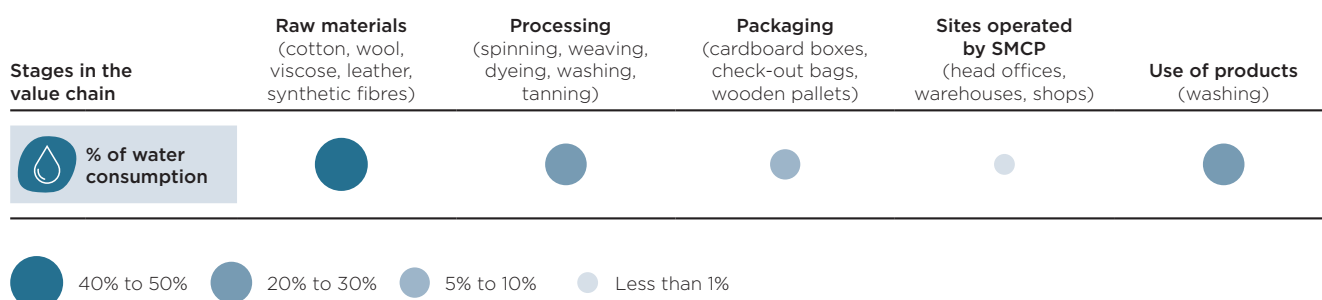
The pollution generated is also likely to impact the health of communities living near production sites.

Lastly, the analysis did not highlight any material risks or opportunities for the Group.

Water and marine resources – E3

The Group's water footprint was calculated on the basis of estimates based on data for the year 2023, and is summarised below^[1] in the form of an infographic. Potential effects on public health were considered by consulting studies.

GROUP WATER FOOTPRINT



The analysis shows that the manufacture of products and their use (washing) represent the most water-consuming steps in the SMCP value chain. The consumption of the sites operated by the Group (offices, stores and warehouses) is estimated at less than 1% of total consumption and is therefore not material. Raw materials are the largest source of water consumption, which is mainly related to the irrigation of cotton crops in many parts of the world. The processing of raw materials, and more specifically the tanning and dyeing stages, also consumes a great deal of water. Consumption generated by the washing of clothes by customers is on the same scale as the processing of raw materials.

Water consumption challenges differ depending on the regions of the world from which the water is taken. In order to take this aspect into account, SMCP carried out an analysis of the risk of water stress in its supply chain^[2]. This highlights significant risks of water stress in the following countries:

- India and Turkey for cotton growing;
- South Africa for wool;
- Italy, Spain, Portugal, Morocco, Tunisia, Turkey and India for the processing stages.

2030 and 2050 forecasts predict an increase in water stress in these countries over the coming decades.

SMCP does not use marine resources in its activities. Therefore, the sustainability report does not cover this topic. Lastly, the analysis did not highlight any material risks or opportunities for the Group.

Biodiversity – E4

Two levels of analysis were used in the assessment of the impacts of SMCP's activities on biodiversity:

- analysis of the proximity of the Group's registered offices, stores and warehouses to key biodiversity areas. This analysis was performed using the WWF's Risk Filter tool^[3];
- global analysis of the impacts of product lifecycle on the five main drivers of biodiversity loss which IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) has defined and classified by level of importance: change in use of land, freshwater and seas; direct exploitation of natural resources; climate change; soil pollution, water and air pollution; dissemination of invasive alien species. This analysis was carried out on the basis of a combination of quantitative and qualitative data as detailed below.

[1] Calculation of the quantity of water consumed [difference between water withdrawn and water discharged]. The consumption of blue water used for agricultural, industrial or domestic purposes is taken into account. Blue water corresponds to the proportion of water from atmospheric precipitation that flows in watercourses to the sea, or that is collected in lakes, aquifers or reservoirs.

[2] Analysis carried out using the World Resources Institute Aqueduct tool.

[3] The WWF (World Wide Fund for Nature)'s **Risk Filter** is a series of digital tools designed to help companies identify, assess and manage the environmental and social risks associated with their activities. These tools offer geospatial analyses, enabling companies to create relevant and localised action plans.

	Impacts studied	Sources
Quantitative analysis	• Land-use change • Water consumption • Climate change • Eutrophication (freshwater, marine, land) • Acidification • Ecotoxicity	Impact factors from the European EF 3.1 database applied to SMCP activity data in 2023 (weight of products, materials, geographical location of suppliers, etc.) For water consumption, calculation based on the methodology of the Water Footprint Network
Qualitative analysis	• Change in seabed use • Change in use of freshwater areas • Biotic resources • Plastic microfibres • Invasive species • Noise and light pollution	ENCORE initiative online tool (Exploring Natural Capital Opportunities, Risks and Exposure) assessing impacts based on economic activities (ISIC classification). Studies from the Plastic Footprint Network for plastic microfibres.

PROXIMITY TO KEY BIODIVERSITY AREAS (AREAS AND RISK SCALE FROM THE WWF RISK FILTER)

	Level of risk				
	Very low	Low	Moderate	High	Very high
Sites operated by the Group	55%	44%	1%	0%	0%

Only 1% of the sites operated by SMCP present a moderate level of risk due to their proximity to a key biodiversity area. These are stores in shopping centres in the United States and China whose activity

does not have a material impact on local biodiversity. No sites are located near high or very high risk areas.

IMPACTS OF SMCP'S ACTIVITIES ON BIODIVERSITY

Level of importance of the category in the biodiversity impacts generated by SMCP's activity



Impacts of human activities on biodiversity	Level of importance for biodiversity loss	Sub-categories	Raw materials					Processing	Transport	Stores	Use and end of life
			Oil*	Wood**	Cotton	Wool	Leather				
Land-use change, fresh water-use change and sea-use change	■ ■ ■	Freshwater areas	●	●	●	●	●	N/A	●	N/A	N/A
		Seabed	●	ND	N/A	N/A	N/A	N/A	●	N/A	N/A
		Land	●	●	●	●	●	●	●	●	●
Exploitation of natural resources	■ ■	Biotic resources	N/A	●	ND	ND	ND	N/A	N/A	N/A	N/A
		Water consumption	●	●	●	●	●	●	●	●	●
Climate change	■	Climate change	●	●	●	●	●	●	●	●	●
Pollution of soil, water and air	■	Freshwater, marine water and terrestrial eutrophication	●	●	●	●	●	●	●	●	●
		Acidification	●	●	●	●	●	●	●	●	●
		Ecotoxicity	●	●	●	●	●	●	●	●	●
		Plastic microfibres	●	N/A	N/A	N/A	N/A	●	N/A	N/A	●
Spread of invasive alien species and other disturbances	■	Introduction of invasive species	●	●	●	●	●	N/A	●	N/A	N/A
		Noise and light pollution	●	●	●	●	●	●	●	●	N/A

* Petroleum is the raw material used to manufacture synthetic fibres (polyester, polyamide, etc.)

** Wood is the raw material used to manufacture artificial fibres (viscose, modal, etc.)

The analysis of the impacts of product lifecycles on the main systemic risks of biodiversity loss highlights the key role of raw materials in most of the categories under consideration.

Animal breeding to produce wool and leather is the primary source of impact on biodiversity.

Petroleum, used as a raw material for the manufacture of synthetic fibres (polyester, polyamide, acrylic), has significant impacts on the change in use of freshwater areas and the seabed, as well as on noise and light pollution.

Cotton growing has impacts primarily on the change in use of freshwater areas and on water consumption. The production of wood, which is the raw material for artificial cellulosic fibres such as viscose, has an impact on the use of natural resources.

The raw material processing steps (including spinning, weaving, dyeing and tanning) put pressure on biodiversity through impacts on climate change, water consumption, water and soil eutrophication and air acidification.

Finally, the release of plastic microfibres into the environment is mainly caused by the washing of synthetic clothing.

In 2024, the SMCP Group carried out an analysis of the dependency of its activities on ecosystem services. This assessment was based on the open access tool⁽¹⁾ offered by the ENCORE initiative (Exploring Natural Capital Opportunities, Risks and Exposure) which is the result of a collaboration between the NGO Global Canopy and the United Nations Environment Programme. More than 200 economic activities are analysed for dependencies on 25 ecosystem services grouped into three major groups: provisioning services, regulating services and cultural services. In this case, the assessment analysed the production of the main raw materials used by SMCP, the processing steps for these materials and the marketing of the products. The table below presents the ecosystem services identified as material according to three levels of dependency (very high, high, medium).

SMCP dependencies on ecosystem services

Level of dependency on ecosystem services	RAW MATERIALS						PROCESSING textiles and leather	RETAIL
	Oil Synthetic fibres	Cotton	Wood viscose	Wool	Leather			
VERY HIGH	-	Provisioning services: biomass, genetic material Regulatory services: soil and sediment retention, water purification, soil quality, regulation of the global and local climate, pollination, regulation of rainfall	Provisioning services: biomass, genetic material	Regulatory services: soil and sediment retention, regulation of rainfall Cultural services: spiritual, artistic and symbolic services	Provisioning services: biomass Regulatory services: soil and sediment retention, regulation of rainfall Cultural services: education, science and research, spiritual, artistic and symbolic services	-	-	-
HIGH	Regulatory services: river flooding, global climate regulation	Provisioning services: water Regulatory services: water flow	Regulatory services: soil and sediment retention, soil quality	Provisioning services: biomass, water Regulatory services: storm mitigation, water flow	Provisioning services: water Regulatory services: storm mitigation, water flow	-	-	-
AVERAGE	Provisioning services: water Regulatory services: water flow	Regulatory services: solid waste sanitation, biological control, air filtration, flooding and storm mitigation	Provisioning services: water Regulatory services: biological control, global climate regulation, water flow	Provisioning services: genetic material Regulatory services: water purification, soil quality, biological control, air filtration, river flood mitigation, global and local climate regulation	Provisioning services: genetic material Regulatory services: solid waste remediation, water purification, soil quality, biological control, air filtration, river flood mitigation, global and local climate regulation	Provisioning services: water Regulatory services: solid waste sanitation, flood and storm mitigation, water flow (textiles and leather), water purification (textiles) air filtration (leather)	-	Regulatory services: soil and sediment retention, flood and storm mitigation, water flow

The analysis highlights a high level of dependency on provisioning and regulating services offered by ecosystems for the production of raw materials used in the manufacture of products marketed by the Group.

The level of dependency is particularly high for cotton, wool, leather and wood (the raw material from which artificial cellulosic fibres

such as viscose are produced) and lower for petroleum, which is the raw material for synthetic fibres.

The level of dependency on ecosystem services for industrial textile and leather processing activities as well as for sales activities is of medium intensity.

(1) Explore tool and Natural Capital Module.

The assessment of the impacts on biodiversity and dependencies on ecosystem services was used as a basis for an analysis of the physical and transition risks to which the Group will be exposed by 2030 and 2050. The analysis was based on the methodology set out by the Taskforce on Nature-related Financial Disclosures (TNFD), which offers scenarios that vary according to two factors:

- the level of degradation of ecosystem services over time, which leads to varying physical risks and causes a range of problems, depending on the company's level of exposure (scarcity of raw materials, operational malfunctions, etc.);
- the prominence of nature protection in public policy, and the pressure exerted by the financial world and civil society on companies in this domain. This factor affects the scale of transition risks.

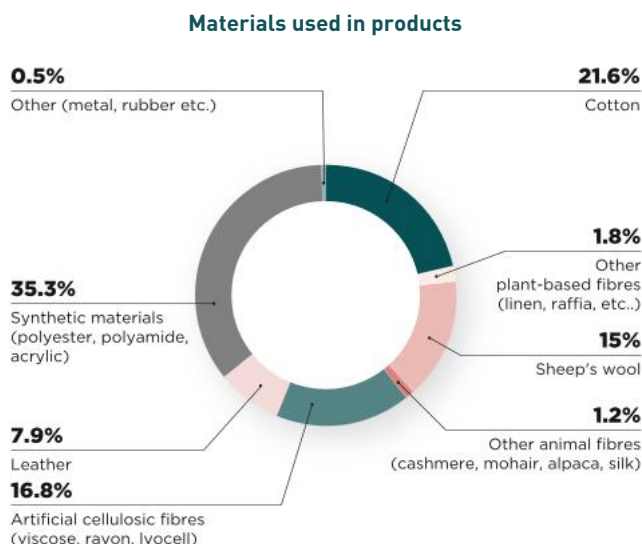
The conclusions of the risk analysis are presented in the table below.

Risk types	Analysis method	Material risks identified
Physical risks	Assessment of physical risks in the main countries which supply the raw materials used by SMCP with a high level of dependency on ecosystem services (cotton, wool, leather, viscose). Country assessment carried out using the WWF's Biodiversity Risk Filter tool.	• Risk of decline in cotton productivity and increase in costs in the event of a severe degradation of the ecosystem services essential to its production. This risk is assessed at a higher level than that of other raw materials due to the geographical location of the cotton crops (e.g. high risk in terms of water supply or soil quality in India, the world's second biggest cotton producer).
Transition risks	Assessment of transition risks based on the work of the research consortium IPR Forecast Policy Scenario + Nature (IPR FPS + Nature) commissioned by the Principles for Responsible Investment (PRI) initiative.	• Risk of increased costs related to the supply of materials targeted by regulations to combat deforestation (primarily leather and viscose for SMCP). • Reputational risk related to poor management of the Company's impacts on biodiversity.

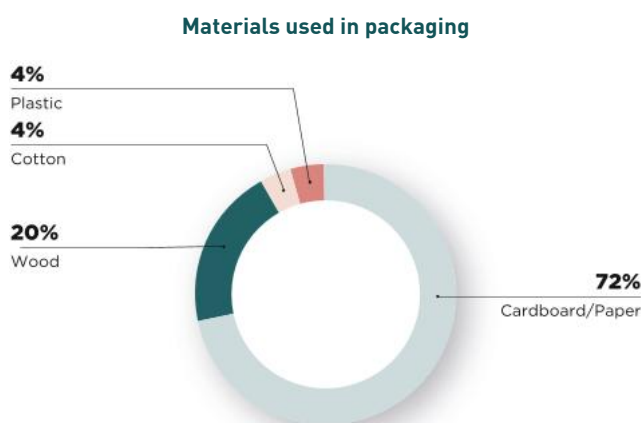
Resource use and circular economy – E5

Most of the materials consumed by the SMCP Group are related to the manufacture of products and packaging. The use of these materials contributes to the depletion of natural resources and is the primary source of environmental impact from the Group's activities (greenhouse gas emissions, pollution, water consumption, ecosystem and biodiversity degradation).

The manufacture of products requires the annual consumption of 5,151 metric tonnes of materials, of which 68% of materials are of natural origin (plant fibres, animal fibres, artificial fibres and leather). The most widely used materials are cotton, polyester, wool, viscose and leather.



The Group uses packaging to protect its products during transport (e.g. cardboard boxes, wooden pallets, plastic film) or when they are sold (check-out bags, tissue paper, cotton pouches for leather goods, shoeboxes, hangers, reusable clothes bags and cardboard boxes or envelopes for online sales). The production of packaging uses 2,361 tonnes of materials, 96% of which are from natural sources (cardboard, paper, wood and cotton). 72% of packaging is made of paper or cardboard.



The sites (shops, warehouses, registered offices) under SMCP's operational control do not generate significant quantities of waste compared to the quantities produced during the manufacture of products and the end-of-life process for packaging and products sold. The waste produced by the Group's warehouses, registered offices and stores consists mainly of packaging (pallets, cardboard boxes and plastic film) and paper.

The risk analysis is largely based on the conclusions made in the context of other topics that also concern the subject of materials:

- physical risks: as indicated in the previous sections, cotton has been identified as the raw material most exposed to physical risks related to climate change or the degradation of ecosystems, which could lead to an increase in costs;
- transition risks: the emergence of new regulations (carbon tax, deforestation) or changes in consumption habits are also mentioned in the sections on climate and biodiversity risk analyses and are directly related to the use of raw materials.

In addition, certain transition risks may be directly related to the question of materials:

- developing purchases of materials certified by the Group (organic cotton, recycled materials, etc.), which generates additional costs;
- the potential development of new regulations in France and Europe based on bonus and penalty systems calculated based on product eco-design credentials (characteristics of materials, recyclability, physical sustainability, etc.) and/or extrinsic sustainability criteria (duration of marketing, number of SKUs sold, etc.).

The development of new circular economy services such as second-hand, rental or repair services is seen as an opportunity for the Group to diversify its business and find new growth drivers. These new services also make it possible to increase the life of the marketed products, and thus have a positive impact on the environment by helping to reduce the production of new items.

Business Conduct – G1

The analysis of the impacts, risks and opportunities in terms of business conduct was carried out on the basis of consultations with NGOs (e.g. Transparency International's Corruption Perceptions Index), a regulatory review (General Data Protection Regulation, Sapin 2 Law, etc.) and workshops with internal experts (internal audit, legal experts, ISD).

Core components for the rating of impacts and risks include the French and European regulatory environment, the geographical location of the Group's suppliers and the quantity and nature of the personal information held by it (no opportunities were identified).

The potential negative impacts related to the Group's activity, without taking into account the measures put in place to remedy them, relate to the negative consequences of corrupt practices or personal data leaks on the public. The Group's use of materials of animal origin (wool and leather) also raises animal welfare issues. Risks of financial sanctions in the event of breaches of regulations (corruption, GDPR), operational disruptions in connection with cybersecurity issues and loss of revenue in the event of a customer personal data leak have also been identified.

In addition, the subject of supply chain traceability, which is not explicitly mentioned in the ESRS, was assessed as material both in terms of impacts and risks. Traceability is indeed perceived by the Group as an essential prerequisite for any approach aimed at identifying and reducing the environmental and social impacts related to the manufacture of its products, and to fully comply with the various regulations (deforestation, due diligence, etc.).

Consolidating and approving the results of the double materiality analysis to identify the SMCP Group's reporting obligations

The Group has decided to adopt a methodology based on which:

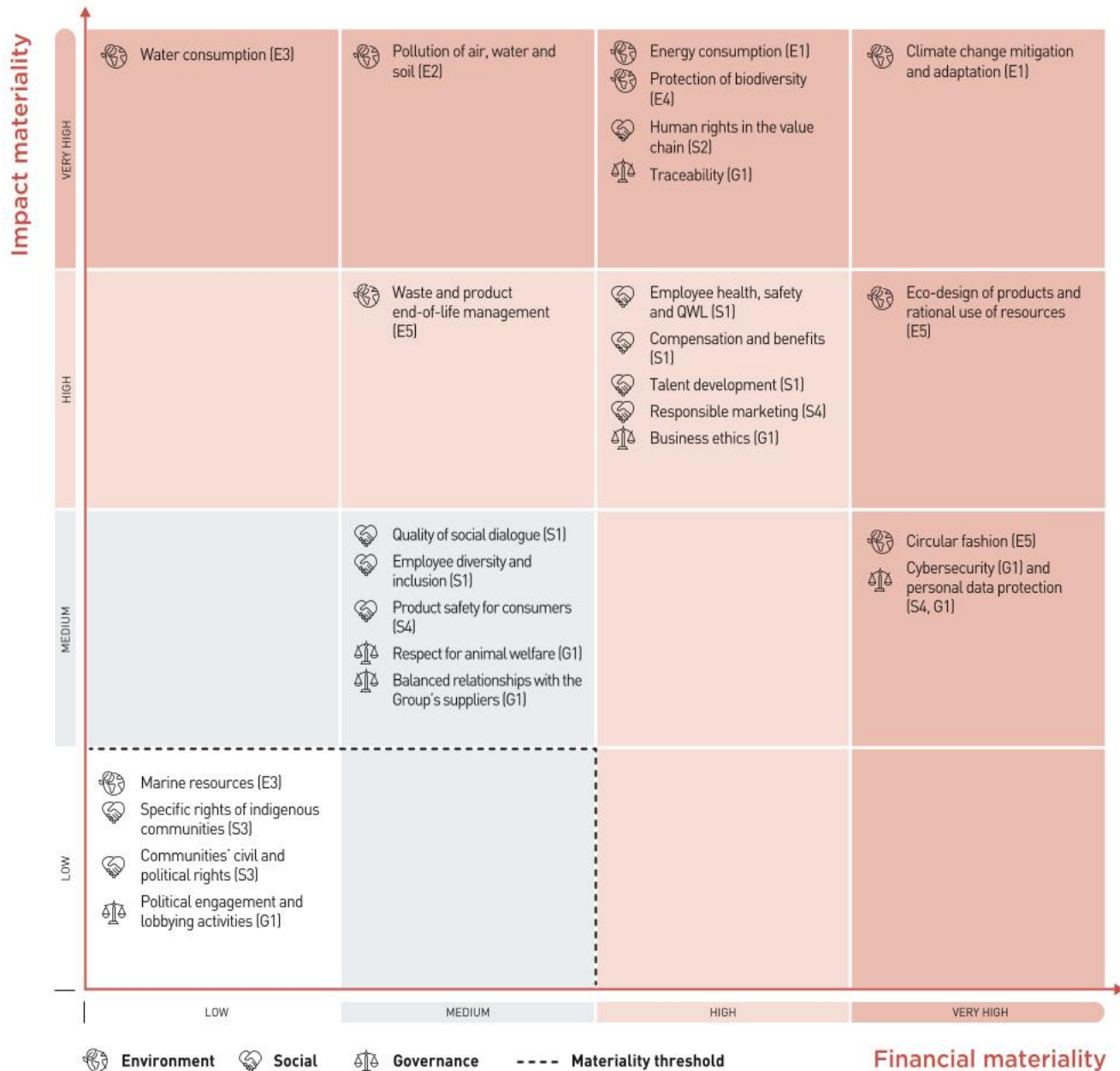
- consistent with the CSRD, the rating reflects the "raw" vision of materiality and therefore does not take into account the mitigation measures put in place by SMCP;
- each IRO has been assessed according to the time period deemed most relevant, based on the time periods set by EFRAG in ESRS 1;
- the presence of a single material IRO implies the materiality of the associated issue;
- if several IROs are material, then the rating used for the associated issue is the highest of the various material IROs.

The materiality thresholds are as follows:

- the steering committee has set the impact materiality threshold at "greater than or equal to 2". This means that all adverse and positive impacts with a rating greater than or equal to 2 are considered as material;
- The project committee has set the financial materiality threshold at "greater than or equal to 3". This means that all risks and opportunities with a rating greater than or equal to 3 are considered as material. This threshold was set on the basis of revenue and is aligned with the Group's risk rating methodology.

The table presenting the exhaustive list of impacts, risks and opportunities identified as material is available in paragraph 3.1.3.3 "Significant impacts, risks and opportunities and their link with the strategy and business model (SBM-3)".

The result of the assessment is presented in the double materiality matrix below:



This resulted in 21 ESG matters considered material for the SMCP Group.

For the first year of reporting, the SMCP Group has chosen to include the matters deemed non-material in the matrix in order to demonstrate that ESG issues have been dealt with exhaustively.

A consistency review of this matrix will be carried out each year. An in-depth review will be carried out every three years.

3.1.4.2 ESRS DISCLOSURE REQUIREMENTS COVERED BY THE CORPORATE SUSTAINABILITY REPORT (IRO-2)

This sustainability report meets the requirements of the Corporate Sustainability Reporting Directive (CSRD) as presented in Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability information standards.

This report reflects the policies, action plans and key metrics put in place by the Group to support its ESG commitment and meet the expectations of its various stakeholders. The table of disclosure requirements of the ESRS 2 IRO-2 DP 56 is available in paragraph 3.5.2 "Disclosure Requirements in ESRS covered by the undertaking's sustainability report (IRO-2)".

3.1.4.3 INTERNAL CONTROL

For this first year, most of the internal control work focused on three areas:

- involving the Director of Audit, Internal Control and Compliance in the steering committee to ensure alignment of practices within the Group;
- presenting the double materiality and CSRD implications to the Head of Internal Control in order to start reflection on an internal control programme which incorporates the CSRD data points;
- overhauling management reporting processes to specify the controls and checks carried out.

In 2025, the Group plans to define a programme of key controls in connection with the CSRD to ensure that the ESG reporting processes are sufficiently well developed.

3.2 Environmental information

SMCP's environmental strategy is driven by the Board of Directors and managed by the Group's CSR Department. Product manufacturing is responsible for the vast majority of the environmental impacts generated by the Group's activity (greenhouse gas emissions, pollution, water and resource consumption, biodiversity, waste) requiring a high level of coordination between the Group and the brands. Each month, the CSR Department leads a committee bringing together the production departments of Sandro, Maje, Claudie Pierlot and Fursac to monitor the deployment of policies in line with SMCP's environmental targets. These policies are rolled out within the brands by the production departments, which ensure that they are implemented with the teams in charge of product creation and development as well as suppliers. A total of 10 FTEs (full-time equivalents) work on environmental issues at Group and brand level. To ensure the proper deployment of its strategy, the Group measures its progress through the monitoring and management of various metrics presented in the following sections. It also undertakes to communicate its progress on its website or this report.

3.2.1 Climate change [E1]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE (IRO-1) AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL (SBM-3)

Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Upstream value chain	Negative impact: greenhouse gas emissions during the manufacture and transport of marketed products	Physical risks - Operational risk: decline in the production of raw materials and disruption of processing operations in countries heavily impacted by climate change, leading to an increase in product manufacturing costs Transition risks - Regulatory risk: implementation of a carbon tax on textile products in Europe - Reputational risk: customer disaffection for brands that are insufficiently committed to the fight against climate change, leading to a decline in revenue	- GHG emissions reduction targets in absolute terms (scopes 1, 2 and 3) validated by the SBTi and falling within a 1.5°C trajectory. Main pillars of the climate strategy: - Purchase of electricity from renewable energy sources and reduction of energy consumption on sites - Reduction of energy consumption and decarbonisation of suppliers' energy mix - Decrease in the percentage of air transport - Raw materials certification - Development of recycled raw materials
Upstream value chain and own operations	Negative impact: consumption of non-renewable energy resources, mainly during the processing of raw materials (spinning, dyeing, weaving), and on the sites operated by the Group (stores, warehouses and registered offices)	Operational risk: increase in energy prices leading to an increase in product manufacturing and site operating costs	

In view of the physical and material transition risks for the Group (see paragraph 3.1.4 "Impact, risk and opportunity (IRO) management" to consult the risk analysis) and the policies implemented to remedy them, the resilience of SMCP's strategy and its business model to the effects of climate change is deemed satisfactory.

The physical risks concerning cotton procurement or the disruption of manufacturing plant operations increase with the level of warming and the concentration of greenhouse gases in the atmosphere in 2030 and 2050 (e.g. RCP 8.5 scenario). However, these risks can be controlled by the Group through climate change adaptation policies, by diversifying its cotton supply sources or being flexible in the selection of its suppliers.

The materials and know-how used to manufacture products are not linked to fixed geographical areas or to exclusive suppliers. In addition, the Group is pursuing a strategy of developing recycled materials by 2030 (see paragraph 3.2.5. "Resource use and circular economy (E5)") which will reduce the effects of variations in crop yields linked to climate events.

There are material regulatory and reputational risks related to the climate transition, according to certain scenarios studied (the Network of Central Banks and Supervisors for Greening the Financial System's "Net zero 2050" and "delayed transitions" scenarios). The policies implemented to reduce the Group's carbon footprint and commit to a trajectory of a 1.5°C reduction in greenhouse gas emissions generated by its business activity currently appear to be appropriate responses to manage this risk.

The analyses carried out at this stage did not show any significant impact on the Group's financial statements. The Group's business plan is now drafted jointly by the finance and CSR departments in order to ensure that the assumptions underlying the carbon trajectory are fully incorporated into the financial forecasts (in particular with regard to production volumes, the cost of certified materials, circular economy revenue assumptions or product transportation methods). The first-time application of this method did not lead to a significant change in the Group's profitability forecasts.

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION (E1-1), INCLUDING POLICIES (E1-2) AND OBJECTIVES (E1-4)

Since 2023, the SMCP group has had a transition plan for mitigating climate change defined as part of the validation of its objectives to reduce its carbon footprint through the Science Based Targets Initiative (SBTi).

In 2024, SMCP updated its objectives with the SBTi in order to:

- use 2022 as the base year instead of 2021⁽¹⁾ previously;
- comply with the SBTi's new "Forest, Land and Agriculture" (FLAG) methodology by integrating emissions related to agriculture and the forestry sector into its accounts and carbon reduction trajectory;
- set more ambitious short-term reduction targets (2030) on scope 3 so that they are compatible with limiting global warming to 1.5°C, in accordance with the Paris Agreement signed at COP 21 in 2015;
- commit to achieving carbon neutrality by 2050.

SMCP thus undertakes to reduce its absolute greenhouse gas (GHG) emissions by:

- -50% on scopes 1 and 2 (market-based⁽²⁾) of the GHG Protocol;
- -42.5% on scope 3 of the GHG Protocol for "non-FLAG" emissions related to the production and transportation of products;
- -30.3% on scope 3 of the GHG Protocol for "FLAG" emissions related to the production and transportation of products.

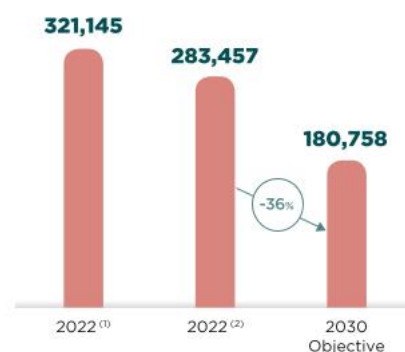
Overall, the Group's absolute GHG emissions reduction target is -36% for scopes 1, 2 and 3.

To monitor its carbon trajectory, the Group implements annual action plans and has set itself specific interim objectives. By 2025, the objective is to achieve a 14.5% reduction in emissions compared to 2022.

SMCP has also committed to the SBTi to achieve carbon neutrality by 2050, which requires a 90% reduction in GHG emissions. In 2025, the Group will submit its action plan to the SBTi to achieve this objective, which will require the use of new technologies to drive additional decarbonisation levers.

In accordance with the SBTi methodology, the SMCP GHG emission reduction target by 2030 only takes into account the most significant Scope 3 emission items when calculating the base year emissions. Policies to reduce the carbon footprint therefore cover scope 1 and scope 2 emissions, and scope 3 emissions related to the production and transportation of products (including packaging) marketed by the Group's brands, representing 88% of total emissions.

Carbon footprint reduction target (tCO₂e)



(1) Total emissions

(2) Emissions included in reduction objectives
(Scopes 1 and 2, manufacturing of products, packaging and transport)

These objectives were validated by the SBTi in November 2024 as aligned with the trajectory of 1.5°C, defined as part of the Paris Agreement signed at COP 21 in 2015, to limit global warming to below this threshold.

Stakeholder interests were taken into account when the Group's climate objectives were set, based on discussions with the SBTi, which brings together various international organisations: the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

The climate transition plan was drawn up in consultation with the Group's various departments (Production Department of each brand, Finance Department, Supply Chain Department, CSR Department) and was validated by the Climate Committee and the Board of Directors. It is integrated into the Company's strategy and included in the business plan. The results of the Group's carbon footprint reduction policies are monitored by the Board of Directors' Sustainability Committee, and are presented at the Shareholders' General Meeting and when the financial results are published.

(1) In 2021, the Group had not returned to a normal level of business activity post-Covid.

(2) Market-based: method for calculating GHG emissions related to electricity consumption, reflecting the specific nature of the energy contracts chosen, in particular the purchase of guarantee of origin certificates.

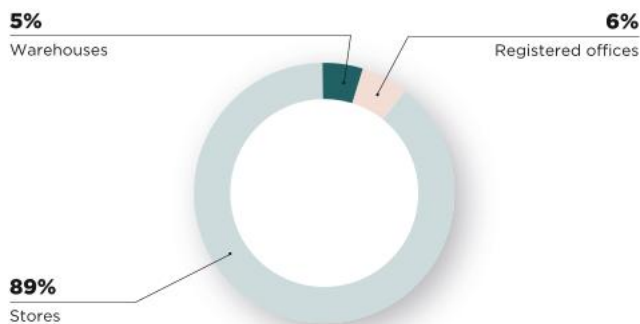
Policies to reduce the carbon footprint mainly cover scope 3 of SMCP's GHG emissions, and are based on three major areas of work:

- improving energy efficiency and switching to renewable electricity at the sites operated by the Group;
- reducing the impact of the marketed products, by working on both the supply of raw materials and the decarbonisation of the energy mix of the most energy-consuming processing steps, while ensuring that production is as accurate as possible to reduce unsold goods;
- reducing the percentage of air freight in the transportation of goods.

Sites operated by the Group

Scope 1 and 2 GHG emissions are mainly related to the energy consumption of SMCP stores, registered offices and warehouses. Electricity accounts for 98% of energy consumption on Group sites. In addition, 89% of energy consumption is linked to the activity of stores, which use electricity for lighting, air conditioning and heating.

Breakdown of energy consumption by type of site



Achievement of the 50% reduction target for scopes 1 and 2 between 2022 and 2030 is based on two main drivers of action:

- reducing the energy consumption of sites, and in particular stores, through the installation of energy-efficient lighting and air conditioning equipment during renovations and openings, and installing consumption monitoring systems to quickly identify any sites which are using too much energy;
- the purchase of electricity with a guarantee of renewable origin, in order to ensure that 100% of the Group's electricity consumption is renewable by 2030.

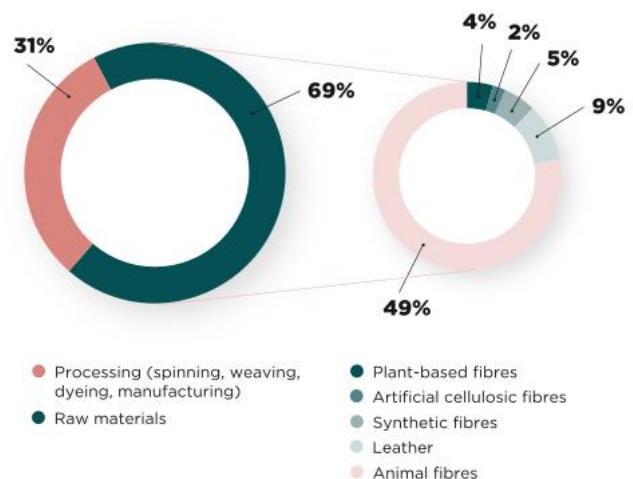
Product manufacturing

GHG emissions related to product manufacturing account for 75% of the Group's emissions. Raw materials are the primary source of emissions, a significant portion of which is linked to the use of fibres of animal origin (wool, cashmere) and leather, which have a larger carbon footprint than plant-based or synthetic materials. Energy consumption during the manufacturing stages and, in particular, during the dyeing phase is the other major source of emissions. The Group's policies therefore focus on these two areas to reduce the scope 3 carbon footprint:

- Raw materials: the objective is to use 100% of certified materials in products by 2030 (organic or recycled cotton, recycled wool and polyester, viscose with a lower environmental impact, etc.). The reduction of GHG emissions from wool makes a decisive contribution to achieving the Group's climate objectives. To do this, a significant proportion of the wool will have to come from recycling, while other sources will need to be in regions of the world where the production of wool produces fewer emissions (including regenerative agriculture practices);
- energy consumed during the industrial processing steps: the Group's brands initially plan to obtain precise information on energy consumption and the type of energy used by the suppliers in charge of spinning and weaving, knitting and dyeing. Reporting enhancements will allow us to refine the calculation of GHG emissions and identify areas for improvement. In phase two, we will work with suppliers to reduce the energy consumption of the most energy-intensive sites, develop the use of renewable energies and ban the use of coal boilers.

In addition to these two main areas of action, reducing the carbon footprint of production also involves measures to reduce the quantities of unsold items (continuous improvement in the allocation of inventories in stores), and developing revenue generated through second-hand, rental and repair services.

Breakdown of GHG emissions from product manufacturing



Freight transportation

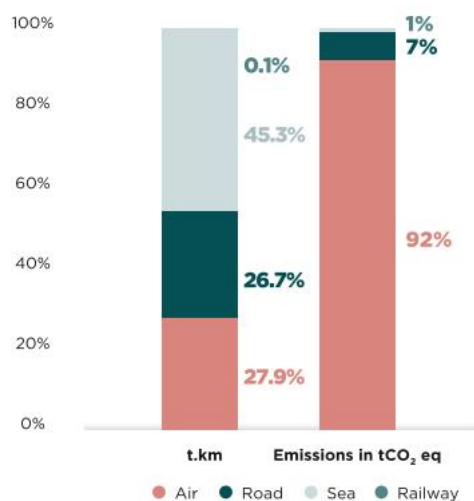
The transportation of goods accounts for 8% of the Group's GHG emissions. 90% of the transport activity corresponds to so-called "BtoB" flows:

- from suppliers to warehouses in Asia, Europe and the United States;
- between warehouses;
- from warehouses to stores.

So-called "BtoC" transport covers e-commerce deliveries available in the countries in which the Group operates.

Air transport accounts for 28% of the volume of transport activity (expressed in tonne-kilometres) and approximately 92% of greenhouse gas emissions from freight. Maritime transport is the Group's most widely used mode of transporting goods. It represents less than 1% of transport-related GHG emissions for 45% of the volume of activity.

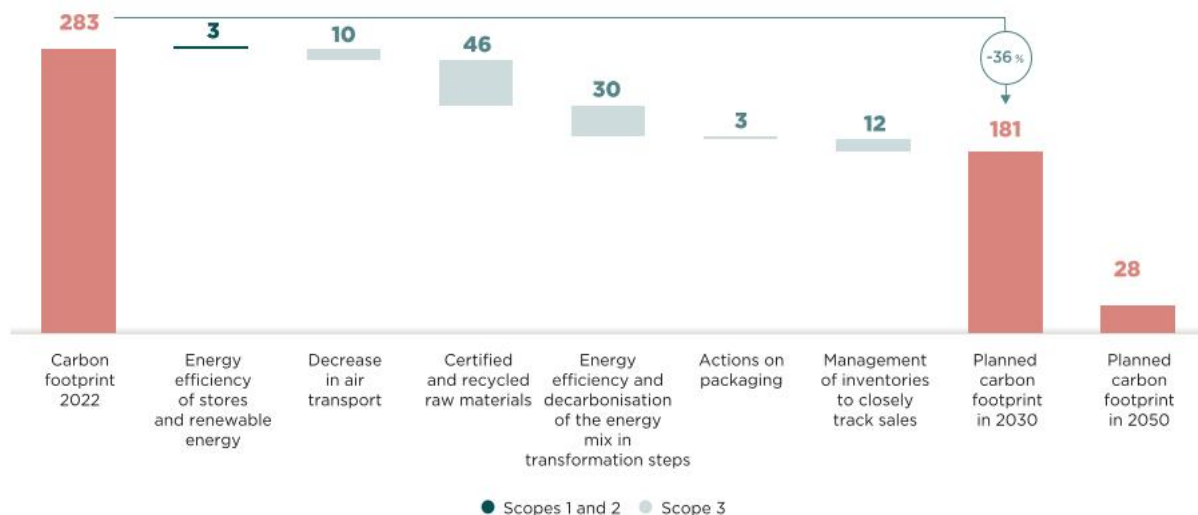
Breakdown of transport-related GHG emissions



The gradual transition from air transport to maritime is therefore one of the priorities for the coming years, in order to reduce the Group's carbon footprint. This policy is based on the overhaul of transport flows (e.g. direct delivery from suppliers in China to warehouses in Asia and the United States, without first going through Europe) and appropriate management of production schedules and inventories.

In summary, the diagram below shows the GHG emission reduction objectives for 2030 and 2050, and the contribution of each decarbonisation lever to achieving the 2030 objective. The reduction trajectory also takes into account the emissions related to the growth of business activity during the period.

SMCP carbon footprint reduction trajectory (K tCO₂eq)



Interactions with the Taxonomy Regulation

Most of the SMCP Group's economic activities are not currently covered by the European Taxonomy Regulation. Eligible turnover only covers second-hand and rental product sales activities considered as contributing to the objective of transitioning to a circular economy.

SMCP's operating expenses (OpEx) eligible for the Taxonomy are not material and are not subject to a specific reporting process. Regarding investments (CapEx), a high proportion is eligible for the Taxonomy on the climate change mitigation criterion. Please note that the Group does not own the buildings that it operates, so therefore, most of the capital expenditure relates to lease agreements and store renovations. In 2024, 97.1% of the Group's CapEx was eligible for the Taxonomy, and 4.3% was aligned with the Taxonomy's climate change mitigation criterion. €8.8 million in capital expenditure is therefore included in aligned expenditure. For more details, see paragraph 3.2.6 "European Taxonomy".

In addition, it is important to remember that the CapEx and OpEx eligible for the European Taxonomy are not representative of the Group's main emissions reduction levers, since they are mainly focused on scopes 1 and 2.

Due to its activity, SMCP is not concerned by investments related to coal, oil or gas-related economic activities.

ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES (E1-3)

In line with the climate change mitigation policies described above, SMCP's carbon footprint reduction actions are grouped here into three main scopes: the sites operated by the Group, product manufacturing and freight transportation.

Sites operated by the Group

Reducing energy consumption involves investing in low-energy LED lighting systems and new air conditioning systems when stores are opened and renovated. We are also rolling out the installation of sensors in storerooms and clocks in the window to ensure that the window lights are switched off in the evening.

In addition, certain stores are subject to environmental certification procedures reflecting the site's good energy performance. In 2024, five new stores were certified: LEED Gold in mainland China and Hong Kong.

In total, 13 of our stores worldwide are now LEED-certified (Leadership in Energy and Environmental Design). The SMCP Group registered offices and the Maje and Claudie Pierlot brands in Paris are HQE (High Environmental Quality) certified, while the SMCP registered office in Shanghai has LEED platinum certification.

The purchase of electricity from renewable sources is another lever for reducing the GHG emissions of the sites operated by SMCP. In 2024, 48% of the Group's electricity consumption was covered by electricity contracts with a guarantee of renewable origin (34% in 2023). 86% of electricity consumption in Europe is covered by this contract type. The next step, planned for 2025, is to develop purchases of electricity from renewable sources in China and the United States.

All of these actions, including store closures, primarily in China, led to an 11% reduction in the Group's energy consumption between 2023 and 2024, and a 28% reduction in GHG emissions related to energy consumption (Scopes 1 and 2). In relation to the 2022 base year, emissions fell by 34%. Some of the CapEx invested to improve the energy efficiency of stores are reported in the Taxonomy under the categories 7.3 "Installation, maintenance and repair of equipment promoting energy efficiency" and 7.7 "Acquisition and ownership of buildings".

Product manufacturing

Each year, there is an increase in the proportion of environmentally-certified materials in SMCP's brand collections. Overall, in 2024, 54% of the materials used by the brands were certified according to one of the standards recognised by the Group^[1], representing an increase of 11 points compared to 2023. While not all certifications lead to a reduction in GHG emissions (e.g. RWS wool guaranteeing respect for animal welfare), several of them have a positive impact on reducing the carbon footprint of products: recycled materials (wool, cotton, polyester, viscose), organic cotton, EcoVero viscose®, Tencel, etc.

In addition to this work on materials, actions are carried out to make suppliers aware of the use of renewable energy for manufacturing processes, and to give them more precise information on energy sources. Annual surveys are conducted at the main sites responsible for weaving/knitting or dyeing the brands' clothing. These surveys identify suppliers using a high proportion of renewable energy (solar panels, biomass boilers, etc.) for their manufacturing processes, or who do not use coal. The objective for the coming years is to continue to improve the knowledge suppliers' energy mix, to make the use of renewable energies an important criterion in the selection of dyers and to collect actual consumption data.

All of these actions, coupled with reducing the quantities produced and inventory management measures to reduce the quantities of unsold items, made it possible to reduce GHG emissions related to product manufacturing by 2.4% between 2023 and 2024. The reduction observed is more moderate than the previous year due to an increase in the consumption of animal fibres (wool, cashmere) at Maje. Emissions were down by 21% in this scope compared to the base year 2022. Expenses related to the implementation of these actions correspond mainly to the additional cost of environmentally certified materials, estimated at several million euros for 2024.

[1] See detail of certifications recognised by the Group in paragraph 3.2.5 "Resource use and circular economy".

Freight transportation

The actions carried out aim to reduce the percentage of air transport in the Group's freight transport flows. Considerable progress has been made in recent years in transport between suppliers in Asia and warehouses in France and the United States. For inter-continental flows between warehouses (France – United States and France – China) most journeys are still made by air. A first shipment of products by sea was carried out in 2024 between France and the United States, and it is planned to develop this means of transport on this route in the coming years. With this aim in mind, the Group entered into a partnership with Vela in 2024, a French carrier building a boat capable of crossing the Atlantic in 10 to 15 days with 100% sail propulsion. The first Atlantic crossing is scheduled for 2026 and will transport Sandro and Maje products.

Regarding deliveries to stores from warehouses, alternatives to road transport are starting to appear, particularly in China, where products sold in stores in the Beijing region have been transported by train from Shanghai since 2024. The use of rail transport is expected to grow in China in the coming years.

After a significant decrease in the percentage of air travel between 2022 and 2023, from 37% to 26%, it increased slightly in 2024 to 28%. This change is due to the disruption of global maritime trade due to attacks on ships in the Red Sea, which led to ships no longer passing through the Suez Canal, considerably lengthening the journey time between Asia and Europe. The brands therefore used air transport more in 2024 in order to be able to deliver the collections on time. GHG emissions from transport consequently increased by 13% between 2023 and 2024. Emissions were down by 5% compared to the base year 2022.

MAIN DECARBONISATION LEVERS AND THE GROUP'S LEVEL OF PROGRESS TOWARDS ITS GHG EMISSIONS REDUCTION TARGETS

		2022 emissions (tCO ₂ e)	2023 emissions (tCO ₂ e)	2024 emissions (tCO ₂ e)	% reduction 2022-2024	2022-2030 reduction targets
	Main decarbonisation levers					
Scopes 1 and 2 (market based)	• Purchase of electricity from renewable energy sources					
Sites operated by the Group	• Reduction of energy consumption in registered offices, stores and warehouses	6,483	5,954	4,273	-34.1%	-50%
Scope 3	• Certification of raw materials					
Product manufacturing and transport	• Developing recycled raw materials • Reduction of energy consumption and decarbonisation of supplier energy mix • Decrease in the percentage of air transport • Inventory management	276,974	225,567	223,116	-19.4%	-35%
	TOTAL	283,457	231,521	227,389	-19.8%	-36%

With a 19.8% reduction in its emissions between 2022 and 2024, the Group is in line with its SBTi reduction trajectory targeting -36% by 2030.

CLIMATE CHANGE-RELATED METRICS

Details of the metric calculation method are available in paragraph 3.5.1 “Methodological note on data reporting” in the appendix.

Energy consumption and mix (E1-5)

Energy consumption and energy mix	2022	2023	2024
Fuel consumption from coal and coal products (MWh)	0	0	0
Fuel consumption from crude oil and petroleum products (in MWh)	0	0	0
Fuel consumption from natural gas (in MWh)	499	359	340
Fuel consumption from other fossil sources (in MWh)	0	0	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (in MWh)	7,136	7,247	5,135
Total fossil energy consumption (in MWh)	7,635	7,606	5,475
Percentage of fossil sources in total energy consumption (in %)	37%	37%	30%
Consumption from nuclear sources (in MWh)	1,921	1,694	1,309
Percentage of consumption from nuclear sources in total energy consumption (in %)	9%	8%	7%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (in MWh)	0	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (in MWh)	11,118	11,428	11,692
The consumption of self-generated non-fuel renewable energy (in MWh)	0	0	0
Total renewable energy consumption (in MWh)	11,118	11,428	11,692
Percentage of renewable sources in total energy consumption (in %)	54%	55%	63%
TOTAL ENERGY CONSUMPTION (IN MWH)	20,674	20,728	18,476

The energy consumption of the sites operated by SMCP fell by 11% between 2023 and 2024. In 2024, electricity represented 98% of the energy consumed by the Group. 63% of the energy consumed in 2024 is electricity from renewable sources, acquired either through renewable electricity contracts or by accounting for the share of renewable energy in the electricity mix in the countries in which the Group operates.

ENERGY INTENSITY BASED ON NET REVENUE

SMCP's activity is classified among sectors with a high climate impact (wholesale and retail trade). The Group's energy intensity in 2024 was 15.2 MWh per million euros of net revenue, down by 9.5% compared to 2023. The net revenue used for the calculation is available in paragraph 5.2.1 “Key figures from the income statement”.

	2023	2024	2023/2024 change
Energy intensity per million euros of net revenue	16.8	15.2	-9.5%

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

	Historical data			Milestones and target years		
	2022 (base year)	2023	2024	Change 2023/2024	2030	Change 2022/2024
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO ₂ e)	433	497	401	-19%	-	-
Percentage of scope 1 GHG emissions resulting from regulated emission trading schemes (in %)	0	0	0	-	-	-
Scope 2 GHG emissions						
Gross scope 2 GHG emissions (tCO ₂ e) market based	6,050	5,457	3,871	-29%	3,025	-36%
Gross scope 2 GHG emissions (tCO ₂ e) location based	6,255	6,016	7,174	-22%	-	-
Scope 3 GHG emissions						
Gross total indirect GHG emissions (scope 3) (tCO ₂ e)	314,662	271,418	265,285	-2%	-	-
1. Goods and services purchased ⁽¹⁾	265,187	218,916	215,609	-2%	178,132	-19%
2. Investment property	3,533	9,168	6,948	-24%	-	-
3. Activities in the fuel and energy sectors (not included in scopes 1 and 2)	1,168	1,206	1,244	3%	-	-
4. Upstream transportation and distribution	22,046	18,445	20,865	13%	15,170	-5%
5. Waste produced during operations	3,822	3,675	4,104	12%	-	-
6. Business travel	355	1,791	1,326	-26%	-	-
7. Employee commuting	5,430	5,514	4,328	-22%	-	-
8. Upstream leased assets	N/A	N/A	N/A	-	-	-
9. Downstream shipping	5,381	4,928	5,105	4%	-	-
10. Processing of products sold	N/A	N/A	N/A	-	-	-
11. Use of products sold	7,015	7,026	5,042	-28%	-	-
12. End-of-life processing of products sold	724	749	714	-	-	-
13. Downstream leased assets	N/A	N/A	N/A	-	-	-
14. Franchises	N/A	N/A	N/A	-	-	-
15. Capital expenditure	N/A	N/A	N/A	-	-	-
Total GHG emissions						
Total GHG emissions (tCO ₂ e) market based	321,145	277,372	269,558	-3%	-	-
Total GHG emissions (tCO ₂ e) location based	321,349	277,931	270,404	-3%	-	-
GHG emissions included in the SBTi reduction pathway						
Scopes 1 and 2 (market-based), Scope 3 – manufacturing and transport of products and packaging – (tCO ₂ e)	283,457	231,521	227,389	-1.8%	180,758	-19.8%

The above table details SMCP's annual carbon footprint from its base year, following the GHG Protocol methodology for calculating and classifying greenhouse gas emissions.

The emissions counted in the Group's reduction trajectory fell by 1.8% between 2023 and 2024, and are down by 19.8% compared to the base year (2022).

The Group did not identify any biogenic emissions in 2024.

(1) Emissions related to the manufacture of products and packaging taken into account in the Group's reduction trajectory are included in the item "emissions from purchased goods and services".

GHG INTENSITY BASED ON NET REVENUE

	2022	2023	2024
Intensity in tCO ₂ e/€m	266.3	225.3	222.4

MONITORING OF GHG EMISSIONS AS DEFINED AS PART OF THE SBTI TRAJECTORY

	2022	2023	2024	% 2024/2022	2030 objective
Scopes 1 + 2 market-based	6,483	5,954	4,273	-34.1%	-50%
Scope 3 "FLAG" (Forest Land Use and Agriculture): emissions related to product manufacturing and transportation	170,323	132,039	133,035	-21.9%	-30.30%
Scope 3: other emissions related to product manufacturing and transportation	106,651	93,528	90,081	-15.5%	-42.50%
TOTAL	283,457	231,521	227,389	-19.8%	-36%

The carbon intensity of the Group's activity in 2024 was 222 metric tons of GHG per million euros of revenue. The net revenue used for the calculation is available in Section 5.2.1 "Key figures from the income statement".

The Group has not developed any GHG removal and mitigation projects financed through carbon credits (E1-7) or internal carbon pricing schemes (E1-8), and therefore the disclosure requirements for these topics are not applicable to SMCP. Regarding the requirements related to the expected financial impacts (R1-9) in line with the Regulation, the Group will publish the requested qualitative information next year.

3.2.2 Pollution [E2]

POLLUTION-RELATED MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IRO-1)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Pollution of air, water and soil	Upstream and downstream value chains	- Negative impact: emissions and discharges of polluting substances into water, air and soil during the product manufacturing stages, and discharges of plastic microfibres into water when washing synthetic fibre clothing - Negative impact: environmental pollution surrounding processing plants (e.g. dyeing factories) that can affect the health of local communities	Non-material	- Quantitative analysis of the impacts of pollution generated by the Group's business activity - Developing supplier environmental audits - Group membership of the Leather Working Group (LWG) initiative working to improve the environmental performance of tanneries - Reduction of pollution in water, air and soil via the policies implemented to increase the proportion of certified materials (see ESRS E5) and decarbonise the energy consumption of suppliers (see ESRS E1)

POLICIES (E2-1) AND OBJECTIVES (E2-3) RELATED TO POLLUTION

The analysis of the impacts of SMCP's activities on pollution is presented in paragraph 3.1.4 "Impact, risk and opportunity management" of the sustainability report, and highlights the fact that the production of raw materials of animal origin (wool and leather) is the main source of polluting emissions released into the environment for most of the impacts studied. Textile processing primarily has impacts on the eutrophication of freshwater and the formation of ozone. Finally, plastic microfibres are emitted in large quantities when washing synthetic clothes.

Pollution policies are based on three topics:

- pollution prevention and reduction;
- eliminating the use of substances of very high concern and reducing the use of substances of concern;
- the implementation of alert and control systems.

These policies are directly linked to those put in place to increase the proportion of certified materials (see paragraph 3.2.5 "Resource use and circular economy (E5)") and to decarbonise the energy consumption of suppliers (see paragraph 3.2.1 "Climate change (E1)").

The objective of achieving 100% of materials certified according to benchmark environmental standards by 2030 helps to address many environmental challenges for the Group, including that of pollution.

Pollution prevention and reduction

All Group suppliers are required to apply the principles of the Code of Conduct, which includes a section on compliance with pollution regulations and the implementation of proactive policies in this area. The strategy pursued to develop the use of materials certified according to benchmark environmental standards (see paragraph 3.2.5 "Resource use and circular economy (E5)") has beneficial effects on the reduction of many types of pollution.

For example, recycled materials can reduce pollution in water, air and soil by around 90%. Organic cotton or EcoVero® viscose can significantly reduce ecotoxicity. An environmental management system that goes beyond the regulatory framework is also required for all processing sites (spinning mills, weavers, dyeing plants, etc.) working on Global Organic Textile Standard (GOTS) and Global Recycled Standard (GRS) certified materials.

The Group's brands also aim to use only leather from Leather Working Group/LWG-certified tanneries. The LWG audit standards include specific sections on effluent management, air emissions and chemical management.

Lastly, the decarbonisation of the supplier energy mix, which is one of the main levers of SMCP's climate transition plan, leads to reductions in fine particulate matter and ozone emissions. Regarding emissions of plastic microfibres when washing synthetic clothing, the Group currently has no policies in place to address this issue.

Substances of concern (E2-5)

The Group is working to reduce the use of substances of concern and very high concern during product manufacturing *via* the purchase of certified materials whose standards require manufacturing plants to comply with the list of prohibited substances due to their impact on health or the environment. The GOTS certification for organic cotton has its own list of prohibited substances, and the GRS and LWG certifications apply the Manufacturing Restricted Substances List - MRSL created by the Zero Discharge of Hazardous Chemicals (ZDHC) initiative.

Tests are also carried out on the marketed products to ensure that they do not contain substances of very high concern mentioned in the European REACH Regulation. More information on the control system is available in paragraph 3.3.3 "Consumers (S4)".

Alert and control system

As a member of the LWG, the Group is covered by an alert system in the event of non-compliance of tanneries with local environmental regulations. Environmental audits will also be launched from 2025 to check compliance with pollution prevention standards at the most at-risk sites (dyeing plants without a certified environmental management system).

ACTIONS AND RESOURCES RELATED TO POLLUTION (E2-2)

The share of certified materials increased from 43% to 54% between 2023 and 2024. This increase contributes to the reduction of pollution generated by the Group's business activity (see paragraph 3.2.5 "Resource use and circular economy (E5)" for more details on certified materials).

In addition, in 2024, 87% of leather came from LWG-certified Gold or Silver tanneries, 29% of cotton was GOTS-certified and 15% of materials were GRS-certified. These three standards guarantee compliance with strict standards for polluting emissions during the processing stages of raw materials.

The financial resources allocated to pollution reduction policies mainly consist of purchases of certified materials. These costs are presented in paragraph 3.2.5 "Resource use and circular economy (E5)".

METRICS RELATED TO POLLUTION

The SMCP Group does not own or operate industrial sites. The ESRS E2 metrics relating to pollution of air, water and soil (E2-4) are therefore not applicable. The products marketed by the Group do not contain substances of very high concern within the meaning of the thresholds defined by the REACH Regulation. The Group does not have data to assess quantities of substances of concern potentially present in its products.

The metrics presented in paragraph 3.2.5 "Resource use and circular economy (E5)" allow the Group to monitor its progress in reducing pollution and substances of concern.

Microplastics emissions

As presented in the analysis of the pollution generated by the Group's activity, microplastics are released into the environment during the manufacture of synthetic fibre products and when customers wash these products.

Based on the research and methodology developed by the Plastic Footprint Network, microplastic discharges caused by SMCP's activity were estimated at 1.2 metric tonnes in 2024. 63% of these discharges occur during product washing.

3.2.3 Water and marine resources [E3]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES (IRO-1)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Water consumption	Upstream value chain	Negative impact: water consumption in areas subject to water stress during product manufacturing	Non-material	- Calculation of the Group's water footprint - Developing the use of certified and recycled materials whose production requires lower water consumption - Increased use of processing methods requiring less water (dyeing, washing) and LWG-certified tanneries

POLICIES (E3-1) AND OBJECTIVES (E3-3) RELATED TO WATER RESOURCES

SMCP aims to reduce the water consumption related to the manufacture of its products by 30% between 2022 and 2030, which is the most water-intensive item related to the Group's activity (see water footprint in paragraph 3.1.4.1 "Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)"). The Group's policies in this area are based on three priority areas.

Improve the accuracy of water reporting

The water consumption required for the production of raw materials and their processing is currently based on estimates from scientific studies. In order to better manage its water consumption and the effects of the action plans put in place to reduce it, the Group wants its reporting to be based on a sample of actual water consumption data collected at certain key processing steps such as dyeing or tanning (tiers 2 or 3).

Thanks to the work carried out on traceability (see paragraph 3.4.4 "Traceability"), the Group also has increasingly detailed knowledge of the geographical location of suppliers in its supply chain and the areas in which raw materials are produced. This information makes it possible to identify areas of water stress at the various stages of production, and will ultimately lead to the implementation of targeted actions at the local level to reduce water consumption in the areas most at risk.

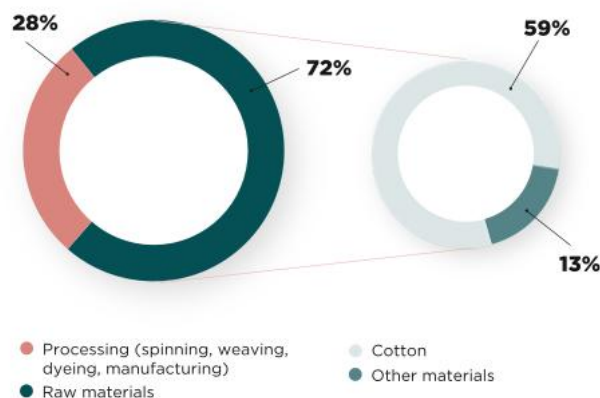
Using raw materials whose production is less water-intensive

The Group's brands aim to develop the use of certified materials in their collections which require smaller quantities of water to

produce. These include recycled materials (cotton, wool, polyester, viscose) and certain brands of artificial fibres (Lyocell, EcoVero®, LivaEco, Tencel, etc.). For example, the use of recycled cotton instead of conventional cotton leads to a 90% reduction in water consumption. The production of EcoVero® viscose requires 50% less water than standard viscose.

Regarding organic cotton, another material favoured by the Group, there is no scientific consensus on whether growing it would consume less water than growing standard cotton. The amount of water needed to grow cotton varies more depending on the country of production and irrigation practices. Improving the traceability of cotton-growing areas is therefore a priority to reduce water consumption linked to the use of this material.

Water consumption related to the manufacture of products



Using more water-efficient processing methods

Alternatives are sought to limit water consumption related to the most water-intensive processing steps (tanning, dyeing, washing).

Tanneries certified according to the Leather Working Group (LWG) standard consume on average between 1.3 (LWG Bronze certification) and 2.7 times (LWG Gold certification) less water than non-certified tanneries. The Group's objective is for 100% of the leather used in its products to come from LWG-certified tanneries by 2030.

Laser or ozone technologies are preferred for denim washing, and can halve the consumption of water and chemical products during this step. New dyeing technologies are beginning to be used by brands such as "dope dyeing" for synthetic fibres, a process that allows the colour to be incorporated directly from the manufacture of the yarn without the need for dyeing baths.

In general, the Group's suppliers are encouraged under its code of conduct (see paragraph 3.4.3 "Management of relationships with suppliers (G1-2)") to preserve water resources.

ACTIONS AND RESOURCES RELATED TO WATER RESOURCES (E3-2)

The use of materials that reduce water consumption in the manufacture of products increased during the year. The proportion of recycled cotton, which contributes significantly to the reduction in water consumption, fell from 5% to 9% between 2023 and 2024 and reached 20% at Maje. Information on this subject is presented in paragraph 3.2.5 "Resource use and circular economy (E5)".

Water consumption related to the manufacture of products decreased by 24% between 2022 and 2024.

The financial resources allocated to the water policy mainly consist of purchases of certified materials. These costs are presented in paragraph 3.2.5 "Resource use and circular economy (E5)".

METRICS RELATED TO THE REDUCTION OF WATER CONSUMPTION (E3-4)

Water consumption related to the Group's own activities is non-material and is therefore not reported.

The Group monitors water consumption in product manufacture as a metric. Details of the metric calculation method are available in paragraph 3.5.1 "Methodological note on data reporting" in the appendix.

	2022	2023	2024	Change 2022/24	2030 objective
Water consumption related to product manufacturing (m³)	9,912,385	8,319,422	7,554,237	-24%	-30%

3.2.4 Biodiversity and ecosystems [E4]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO BIODIVERSITY AND ECOSYSTEMS (IRO-1) AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL (SBM-3)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Protection and restoration of biodiversity and ecosystems	Upstream chain	value Negative impact: degradation of ecosystem services related to the use of raw materials (change of use of land/seabed/freshwater areas, direct exploitation of natural resources, climate change, pollution) and their processing (exploitation of natural resources, climate change, pollution)	- Operational risk: drop in cotton crop yields leading to increased costs in the event of a severe degradation of the ecosystem services essential to its production - Regulatory risk: breach of regulations to address deforestation - Reputational risk: customer disaffection for brands that are insufficiently committed to protecting nature	- Measurement of the Group's impacts on biodiversity and ecosystem services essential to its business - Biodiversity strategy built around four pillars: avoid, reduce, regenerate and transform - Avoid: zero deforestation objectives and conversion of natural ecosystems, no use of materials derived from protected wild animal species, identification of suppliers near key biodiversity areas - Reduce: climate and materials strategy (see ESRS E1 and E5) and objective to reduce the use of agricultural land - Regenerate: support for a regenerative wool programme in Uruguay - Transform: participation in sector-specific initiatives and support for nature protection NGOs

BIODIVERSITY AND ECOSYSTEMS TRANSITION PLAN (E4-1) INCLUDING POLICIES (E4-2) AND TARGETS (E4-4)

The preservation of ecosystems and biodiversity is a major focus of the Group's sustainable development strategy. More than 68% of the materials used for the manufacture of products marketed by SMCP brands come from agriculture (cotton, breeding for wool or leather) and forestry (viscose) and depend directly on essential ecosystem services (pollination, genetic resources, regulation of rainfall, retention of sediments in the soil, etc.). The production of the collections also has significant impacts on biodiversity through land use change, the use of natural resources, pollution of the water or air and contribution to climate change. These dependencies and impacts could translate into material risks for the Group in the coming years depending on the level of ecosystem degradation (physical risks) or the level of importance given to the subject by public authorities and civil society (transition risks). The methods used and the results of the risk analysis are presented in paragraph 3.1.4.1 "Description of the processes to identify and assess material impacts, risks and opportunities (IROs)".

In order to meet these challenges, in 2024 SMCP has structured its biodiversity strategy around the following principles:

- make traceability the basic condition necessary for any improvement;
- prioritise material matters, namely the production of raw materials;
- implement the action principles defined by the Science Based Targets Network (SBTN): avoid, reduce, regenerate and transform;
- act both at the local level (identifying suppliers near key biodiversity areas, regenerative wool project in Uruguay) and at the global level (reducing the surface area of agricultural land used, procurement of certified materials, carbon footprint reduction objectives, etc.);
- contribute to achieving the 2030 objectives of the Kunming-Montreal Global Biodiversity Framework, and in particular those aimed at halting the loss of biodiversity, regenerating 30% of degraded spaces or halving the global risk related to pesticides.

After being presented to the Sustainability Committee, the biodiversity strategy was approved by the Group's Board of Directors. Stakeholder interests are taken into account through the inclusion of the Group's strategy in the framework of the SBTN, which brings together NGOs at the international level and the Kunming-Montreal agreements under the aegis of the UN. The Group's strategy also aims to contribute to the European and French strategies⁽¹⁾ on biodiversity. SMCP is also a partner of the NGO Canopy and supports its action to protect forests.

The biodiversity strategy has strong interactions with the Group's climate transition plan. Climate change is one of the main factors of ecosystem degradation, making the reduction of greenhouse gas emissions a major lever for reducing biodiversity loss. In addition, many actions implemented to reduce the Group's carbon footprint (development of recycled materials, decarbonisation of the energy mix of suppliers, etc.) also have positive effects in terms of biodiversity.

A resilience analysis was carried out for 2030 and 2050 based on scenarios defined by the Taskforce on Nature-related Financial Disclosures (TNFD) and based on physical systemic risks and transition risks mentioned in paragraph 3.1.4.1 "Description of the processes to identify and assess material impacts, risks and opportunities (IROs)". Physical risks cover the Group's upstream value chain, while transition risks affect both the upstream and downstream value chains. Risks related to the decline in cotton crop yields can be managed *via* the development of recycled cotton and the diversification of sourcing areas. The policies planned for the protection of biodiversity are also considered sufficient to prevent transition risks related to regulations and consumer expectations. Ultimately, the Group's resilience to the risks of biodiversity loss is deemed satisfactory.

The policies related to biodiversity and ecosystems defined by the SMCP group aim to provide appropriate responses to the material impacts and risks identified and are, as such, strongly focused on procurement methods for the raw materials used in the manufacturing of the Group's products. These guidelines are shared with the Group's suppliers. The traceability of supply chains, right down to the growing and breeding stages, is an essential foundation for their deployment, and dedicated programmes are in place for all of the Group's brands, as described in paragraph 3.4.4 "Traceability" of this report.

The policies are based on the four main action principles defined by the SBTN:

- **avoid** having a negative impact on nature;
- **reduce** unavoidable impacts;
- **restore and regenerate** ecosystems critical to the proper functioning of the planet;
- **transform** underlying systems to address nature's loss drivers.

Avoid

The strategy of avoiding damage to biodiversity and ecosystems is reflected in the following commitments:

- prohibit the use of materials from protected animal species mentioned in the CITES convention and the IUCN Red List. The Group's brands only use animal materials from the food sector (bullocks, calves or lambs for leather) or wool from domestic farms (sheep, mohair, cashmere goat). Furs and leathers of exotic species (pythons, crocodiles, lizards, etc.) are not authorised;
- zero deforestation linked to the supply of at-risk raw materials by 2025. Among the raw materials considered to be at risk in terms of deforestation, SMCP is mainly concerned by wood products (paper, cardboard and viscose) and leather. Achieving this objective requires the use of certifications (FSC in particular for viscose and cardboard) and supplies excluding areas at high risk of deforestation for leather (in particular the Amazon basin unless the tannery is able to prove that the breeding from which the leather is derived has not caused deforestation). The commitments made by the Group to combat deforestation were discussed with the environmental association Canopy;
- zero conversion of natural ecosystems related to operations and supply chains by 2030⁽²⁾. Achieving this objective, which is broader than the previous one, requires the use of certifications for raw materials incorporating this dimension of non-conversion of ecosystems (e.g. RWS certification for wool, Regenerative Organic Cotton) and local traceability for materials sourced in high-risk countries;
- identifying sites assessed as at-risk in supply chains due to their proximity to key biodiversity areas, with the aim of reviewing 100% of regular tier 1 (clothing, assembly) and tier 2 (weaving, knitting, dyeing, tannery) suppliers by 2025, and then covering all production steps by 2030. The relevant sites will be investigated to ensure that this risk is properly taken into account by suppliers.

Reduce

Reducing the impacts generated by the Group's activity on ecosystems and biodiversity is the subject of various policies detailed in other parts of the sustainability report, in relation to:

- developing the use of recycled materials (polyester, viscose, wool, cotton, brass, leather) which reduces the use of land for crops and livestock and reduces the use of natural resources (water, wood etc.) while also having positive indirect impacts on the reduction of GHG emissions and pollution. The objective set by the Group is to achieve 30% of recycled materials by 2030 (see paragraph 3.2.5 "Resource use and circular economy (E5)" for more information);

⁽¹⁾ In particular measure 4 of focus area 1: "Act on our imports to reduce our biodiversity footprint abroad".

⁽²⁾ 2020 is the base year used to determine the conversion of natural ecosystems.

- certify by 2030 of 100% of materials with environmental standards covering issues such as soil management, biodiversity conservation, reduction of water consumption, pollution or GHG emissions, including: GOTS certifications and OCS for cotton, RWS certification for wool, FSC certification for viscose, leather from LWG-certified tanneries, etc. (see paragraph 3.2.5 "Resource use and circular economy (E5)");
- reducing greenhouse gas emissions with objectives validated by the SBTi initiative (see paragraph 3.2.1 "Climate Change (E1)").

In addition to the objectives mentioned above, SMCP made an additional commitment in 2024 to reduce by 5% between 2023 and 2030 the surface area of agricultural land required for its supplies of natural materials (cotton, linen, viscose, leather, wool). This objective goes beyond the minimum threshold set by SBTN (reduction of 0.35% per year).

Regenerate

SMCP aims to financially support regenerative agriculture projects in its supply chains in the coming years that meet the following criteria: soil regeneration, increased biodiversity, eliminating the use of synthetic inputs, improving farmers' livelihoods and improving animal welfare. At the same time, the Group's brands will develop purchases of materials from the supported projects.

Wool, which is the raw material used by the Group with the greatest ecosystem impacts, will be targeted as a priority for the implementation of these projects. An initial pilot will be launched in 2025.

Transform

The transformational component of the strategy aims first and foremost to raise awareness among different audiences (employees, customers) of the interactions between the fashion sector and biodiversity, and to train staff responsible for design and product manufacturing on these issues.

SMCP also wants to collaborate on sector-specific initiatives or working groups to share its knowledge and support greater consideration of biodiversity matters in sector-specific policies or certification guidelines. Therefore, SMCP has been a member of the Leather Working Group since 2023, which has been working on a number of projects including improving traceability in the leather sector to combat deforestation. The Group is also a partner of the NGO Canopy, which fights against deforestation linked to the consumption of packaging (paper, cardboard) and artificial cellulosic fibres (viscose, modal, rayon, etc.).

In view of the qualitative dimension of this pillar of the SBTN, it does not seem relevant to set an objective.

ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS (E4-3)

In order to prevent the risks of deforestation related to its supplies, the Group carried out a study to identify the materials and countries with the highest risk. This analysis made it possible to update the General Purchasing Conditions appended to contracts with suppliers with new requirements relating to the FSC certification of viscose and cardboard, and the prohibition of leather procurement from areas at risk of deforestation.

All tier 1 suppliers were also the subject of an analysis (*via* the WWF Risk Filter tool) aiming to identify sites located near key biodiversity areas (see paragraph below "Metrics related to biodiversity and ecosystems (E4-5) – Analysis of the proximity of sites to key biodiversity areas"). This analysis did not reveal any particular risks.

Significant progress in the proportion of certified materials should also be noted and helps to reduce the Group's impacts on ecosystems and biodiversity (see paragraph 3.2.5 "Resource use and circular economy (E5)").

In 2024, SMCP also launched its strategy in favour of regenerative agriculture by committing to an initial four-year project with wool-producing farms in Uruguay. The programme, which is managed by Chargeurs Luxury Fibers, will enable the Group's brands to source Nativa Regen™ certified wool from 2025. Sheep farming practices aim to enrich local biodiversity, to improve soil quality and soil carbon retention while respecting animal welfare and providing additional income to farmers. Scientific partners (Quantis, Uruguay Agricultural Research Organisation) will measure the environmental benefits of these new practices throughout the project using dedicated metrics.

Lastly, SMCP took part in a working group under the aegis of the French Ministry of the Environment to propose actions to be implemented by companies in the fashion sector as part of the national biodiversity strategy^[1]. This collective reflection has made it possible to identify levers to make biodiversity an opportunity for companies in the sector, to map risks and to propose ways to reduce pressure on ecosystems. In this context and following the example of the "transform" component of its strategy, the Group was able to share its practices and action plan with the other participants.

The financial resources allocated to the biodiversity policy mainly consist of purchases of certified materials. These costs are presented in paragraph 3.2.5 "Resource use and circular economy (E5)".

[1] National biodiversity strategy 2030, contribution of the textile working group, 2024.

METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS (E4-5)

In order to monitor its impacts and the progress of its biodiversity policies, the Group has voluntarily defined the metrics and objectives presented here. Details of the metric calculation method are available in paragraph 3.5.1 "Methodological note on data reporting" in the appendix.

Other metrics to monitor the progress of policies contributing to the Group's biodiversity strategy are presented in paragraphs 3.2.1 "Climate change (E1)" (greenhouse gas emissions), 3.2.3 "Water and marine resources (E3)" (water consumption related to the manufacture of products) and 3.2.5 "Resource use and circular

economy (E5)" (% of certified materials, % of recycled materials) of the sustainability report.

Analysis of the proximity of sites to key biodiversity areas:

Key Biodiversity Areas are areas that are essential to the global protection of biodiversity. They play a significant role as home to threatened species and geographically restricted species, their ecological integrity, the biological processes they support, and their irreplaceability. The Group has used the WWF's Risk Filter tool to analyse the proximity of the sites it operates to these key biodiversity areas.

	2024	Objective
Sites studied	100% of directly operated sites and tier-one suppliers (production)	2025: 100% of direct fabric suppliers (tier 2, cut-and-sew products) 2030: 100% of indirect strategic suppliers ⁽¹⁾ (spinning, dyeing, weaving, production of raw materials)
Percentage of sites with a high or very high risk level	0%	Risk management by the relevant sites

The analysis shows that the sites operated by SMCP and those operated by its tier-one suppliers do not present a high risk of impacts in key biodiversity areas.

Agricultural area used for the Group's supplies of natural materials

2023	2024	2024/2023	2030 objective
7,988 hectares	7,748 hectares	-3%	-5%

The agricultural area used for the production of natural raw materials used in the manufacture of products decreased by 3% between 2023 and 2024.

(1) Suppliers involved in manufacturing high-volume products, for several seasons.

3.2.5 Resource use and circular economy

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY (IRO-1)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Material consumption	Upstream value chain	Negative impact: use of virgin raw materials leading to the depletion of natural resources (natural fibres) or non-renewable sources (synthetic fibres). Various environmental impacts related to raw materials mentioned in ESRS E1, E2, E3 and E4	- Operational risk: increased costs related to the purchase of certified materials - Regulatory risk: regulations introducing a system of bonuses and penalties on products according to their eco-design credentials - Reputational risk: customer disaffection for brands that are insufficiently committed to the eco-design of products or deemed responsible for excessive production, leading to a decline in revenue	- Adjust production to demand to reduce unsold items - Certify materials with benchmark environmental labels with a particular focus on recycled materials - FSC or PEFC certification of paper/cardboard packaging
End of product life	Own operations and downstream value chain	Negative impact: low collection rate of end-of-life products meaning that these products are sent to inappropriate waste treatment channels. Poor recyclability of products	Non-material	Zero destruction of unsold items and implementation of repair/recycling solutions for defective products
Circular services (repairs, rental, second-hand)	Own operations and downstream value chain	Positive impact: extension of product life and reduction in the use of raw materials	- Reputational risk: shifting of brand customers to the purchase of second-hand products on CtoC platforms - Financial opportunity: development of additional revenue through second-hand services, rental and repair. Customer loyalty and recruitment thanks to these new services	Development of second-hand, rental and repair services offered by the Group's brands

POLICIES (E5-1) AND OBJECTIVES (E5-3) RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The policies implemented in terms of resource use and circular economy are structured around three focus areas covering each stage of the product life cycle and the Group's entire value chain: manufacture, use and end of life.

Reduce the consumption of virgin materials and opt for certified materials during manufacturing

Reducing the consumption of materials consists first and foremost in adjusting the production of products to demand in order to limit the quantities of unsold items. This involves allocating the right quantities of products to points of sale and centralising inventories. The use of recycled materials in products is also a priority area of eco-design to reduce all of the Group's environmental impacts (CO₂ emissions, water consumption, pollution, biodiversity, land use, etc.).

In addition to recycled materials, SMCP's brands also opt for a selection of materials with a lower environmental impact. This selection of materials is based on independent labels whose environmental benefits are established on the basis of factual and public data. These criteria are shared with all suppliers each season.

The materials with the lowest environmental impact recognised by the Group are:

- organic cotton certified by the Global Organic Textile Standard (GOTS) or Organic Content Standard (OCS) labels;
- recycled materials (polyester, nylon, wool, viscose, cotton, leather etc.) certified by the Global Recycled Standard (GRS) or Recycled Claim Standard (RCS) labels;
- sheep, alpaca or angora goat wool (mohair) certified by labels which protect ecosystems and animal well-being: Responsible Wool Standard (RWS) for sheep's wool, Responsible Mohair Standard (RMS) for mohair and Responsible Alpaca Standard (RAS) for alpaca wool;
- Forest Stewardship Council (FSC)-certified viscose guaranteeing wood supplies from sustainably managed forests and specific viscose (e.g. EcoVero™, Livaeco) brands, which in addition to being FSC-certified also guarantee a more environmentally-friendly manufacturing process (significant reduction in water and energy consumption and in chemical use);
- European linen certified by the European Flax or Master of Linen labels;
- leather from tanneries certified by the Leather Working Group (LWG) label at Silver or Gold level. These tanneries meet industry best practices in terms of water and energy consumption and the use of chemicals.

The objective is to achieve 100% of certified materials in products (ready-to-wear and accessories) including 30% of recycled materials by 2030.

With regard to packaging, the Group's guidelines also favour the use of recycled and certified materials (FSC or PEFC for paper and cardboard in particular). The Group's commitments in terms of paper and cardboard packaging are reflected in the Group's CanopyStyle and Pack4Good policy, signed in the framework of its collaboration with the NGO Canopy.

The objective is for 100% of paper and cardboard packaging (logistics and e-commerce boxes, labels, tissue paper, check-out bags and shoe boxes) to be made from recycled or certified materials by 2026.

Extend product life

Extending the life of the products marketed by the Group also helps to reduce the consumption of natural resources.

This approach is firstly implemented through quality policies within the brands which define test protocols to be followed before the products are marketed (abrasion resistance tests, resistance to dyeing, etc.). The Group's brands are also participating in the DURHABI project, managed by the French Textile and Clothing Institute (*Institut français du textile et de l'habillement* – IFTH), which aims to standardise the assessment of the physical sustainability of fashion textile products on a global scale.

In addition, since 2021 SMCP has been developing second-hand, rental and repair services that ultimately increase the useful life of products. The emergence of these new activities is also a useful source of information to analyse the causes of product wear and repair difficulties in order to learn from them and improve the design of the collections.

The Group intends to continue to develop these circular services in all its brands and its major markets over the next few

Responsible end-of-life management

The SMCP group prohibits the destruction of unsold goods anywhere in the world. These are sold in outlets or private sales or donated to charity.

With regard to defective products, the first-line policy is to repair the products when possible and put them back on sale. For non-repairable products that cannot be reused, local recycling solutions should be implemented.

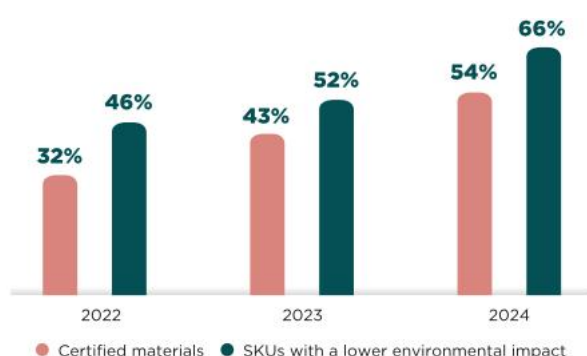
SMCP complies with local regulations working to improve the collection and recycling of used textiles and in France it makes an annual contribution to the eco-organisation Refashion to fund the recycling of clothing, household linen and shoes. The development of extended producer responsibility (EPR) channels of this type is planned in other European countries in the coming years.

ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY (E5-2)

Use of recycled and certified materials

The use of recycled and certified materials in products has continued to grow, increasing from 43% of materials consumed in 2023 to 54% in 2024. 66% of the SKUs in the 2024 collections are made up of at least 50% of certified materials, and this is communicated to customers from the 50% threshold (labels on products, mention on online product sheets).

Change in the percentage of certified materials and in the percentage of SKUs with a lower environmental impact



Recycled materials accounted for 16% of the materials used by the Group in 2024. For Maje and Claudie Pierlot, this rate is more than 20%. More than 50% of the polyester used is made from recycled materials. The integration of recycled materials into natural fibres is a greater challenge than for synthetic materials, due to a potential deterioration in product durability. Recent technological improvements have enabled the Group's brands to increase the proportion of recycled content in natural materials while maintaining their quality standards. By way of example, Sandro used 10% recycled wool in 2024, Maje used 20% recycled cotton and Claudie Pierlot used 30% recycled cashmere.

Regarding other certifications, 51% of the wool used by the Group is RWS or organic certified, 55% of the cotton is organic certified, 52% of the viscose is FSC certified and 87% of the leather comes from LWG Gold or Silver certified tanneries. The brands exceed the Group average for certain materials such as Sandro, which uses 61% RWS or recycled wool, Maje 62% recycled polyester, Claudie Pierlot 87% organic cotton and Fursac 100% leather from LWG Gold or Silver certified tanneries.

Costs related to the purchase of certified materials are estimated at several million euros for 2024.

PERCENTAGE OF CERTIFIED MATERIALS BY TYPE OF MATERIAL

	2024
Organic cotton	55%
Recycled cotton	9%
Total certified cotton	65%
RWS and organic wool	51%
Recycled wool	9%
Total certified wool	59%
Viscose FSC	52%
Leather from LWG Gold and Silver tanneries	87%
Recycled polyester	53%

With regard to packaging, 96% of the cardboard used by the Group is FSC-certified, a standard that guarantees the use of raw materials from sustainably managed forests. Moreover, the percentage of recycled materials in check-out bags has reached an average of 26%, and 100% for tissue paper. In 2024, the Group signed a new contract to use GRS-certified recycled polyester for all plastic film which protects products during transport.

To reduce the quantities of packaging generated by e-commerce, several initiatives have been put in place by the Group's brands: in Europe, Hipli reusable envelopes are offered to customers of the Sandro and Maje second-hand sites, and Claudie Pierlot and Fursac use paper envelopes instead of boxes for certain product shipments. At Maje, all rental products are shipped and returned in reusable bags. In the United States, small e-commerce shipments are made with biosourced and biodegradable plastic envelopes.

Second-hand, rental and repair

Following the launch in 2021 in France of second-hand at Sandro and rental at Maje, the circular services offered by the Group's brands have undergone constant development.

- **second-hand:** Sandro, Maje and Claudie Pierlot have an online second-hand purchase and resale service in France, which was launched by Claudie Pierlot in 2024. Customers are invited to return their products in exchange for vouchers that can be used in-store or online for new or second-hand products. All products are authenticated and cleaned by partners before being put back on sale on the brands' dedicated websites. Since 2024, second-hand pieces have also been available in a selection of Sandro, Maje and Claudie Pierlot stores in France. Sandro also has a second-hand offer available in seven European countries (Germany, Spain, Portugal, the Netherlands, Belgium, Luxembourg and Austria);
- **rental:** the rental service launched by Maje in France has also been available in the United States since 2023. Maje and Sandro products are also available for rental in the United States on the Rent the Runway leading market site. Since 2024, Fursac has been offering suit rental in France on the website of its partner Une Robe Un Soir;
- **repairs:** In 2024, Maje and Sandro launched a new repair service in France for customers. Requests for repairs can be made online or directly in a selection of stores.

Additional information on the alignment of second-hand and rental activities with the European Taxonomy eligibility and alignment criteria is available in paragraph 3.2.6 "Information on the European Taxonomy".

Product donation and recycling

In 2024, items were donated to various non-profit associations (la Cravate Solidaire, Apprentis d'Auteuil, Secours Populaire, etc.) or fashion schools.

Defective products that could not be repaired were sent to recycling channels.

METRICS RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY (E5-4/E5-5)

Incoming resources (E5-4)

Details of the metric calculation method are available in paragraph 3.5.1 "Methodological note on data reporting" in the appendix.

Materials used in the manufacture of products

	2023	2024
Total weight (tonnes)	5,447	5,151
Weight of recycled materials (tonnes)	810	818
Percentage of recycled materials	15%	16%
Percentage of natural materials	64%	68%
Percentage of certified natural materials	50%	62%

	2023	2024	2030 target
Percentage of certified materials used in the manufacture of products	43%	54%	100%

The certifications recognised by SMCP are:

- organic cotton certified according to the Global Organic Textile Standard (GOTS) or Organic Content Standard (OCS);
- recycled materials (polyester, nylon, wool, viscose, cotton, leather, etc.) certified according to the Global Recycled Standard (GRS) or Recycled Claim Standard (RCS);
- sheep, alpaca or angora goat wool (mohair) with certification standards which protect ecosystems and animal well-being: Responsible Wool Standard (RWS) for sheep's wool, Responsible Mohair Standard (RMS) for mohair and Responsible Alpaca Standard (RAS) for alpaca wool;

- FSC-certified viscose guaranteeing procurement of wood from sustainably managed forests as well as certain viscose brands with a lower environmental impact (e.g. EcoVero™, Livaeco);
- European linen certified by the European Flax or Master of Linen labels;
- leather from tanneries certified by the Leather Working Group (LWG) label at Silver or Gold level.

Between 2023 and 2024, the proportion of certified (natural and synthetic) materials used in the manufacture of products increased from 43% to 54%. 68% of the materials used in the products are of natural origin (cotton, linen, wool, cashmere, wood cellulose, leather). Polyester is the synthetic material most used by the Group.

Materials used in the manufacture of packaging

	2024
Total weight (tonnes)	2,361
Weight of recycled materials (tonnes)	1,404
Percentage of certified materials	90%
Percentage of recycled/reused materials	59%
Percentage of natural materials	96%
Percentage of certified natural materials	93%

	2024	2026 target
Percentage of FSC-certified or recycled paper and cardboard packaging	96%	100%

The certifications recognised by SMCP are:

- FSC or PEFC certified paper and cardboard
- recycled materials according to GRS and RCS standards
- plastic that is certified as domestic compost.

96% of the packaging used by SMCP is made from natural materials (cardboard boxes, wooden pallets, cotton covers). Plastic materials are used in protective films for products during transport and in delivery envelopes used in North America for e-commerce. The pallets used by logistics are reused, and a significant proportion of cardboard boxes and check-out bags comprise recycled materials.

Resource outflows (E5-5)

There are no official benchmark definitions for the expected durability, recyclability and reparability of textile products. The products offered for sale by the Group are designed to be worn numerous times in accordance with the care instructions specific to each material. All the parts sold can be recycled in some way (e.g. fraying to make insulation) although, like the market as a whole, a negligible share can be recycled in a closed loop to make new clothes. The Group does not have information enabling it to determine whether the end of life of its products differs from the average for clothing and fashion accessories sold in the countries in which it operates. All sold products can be repaired if the damage caused by the user of the product is not excessive.

In addition, all of the packaging used by the Group is recyclable.

3.2.6 Information on the European Taxonomy

INTRODUCTION TO EUROPEAN TAXONOMY

With the aim of directing financial investments towards sustainable projects and activities while pursuing the target of carbon neutrality by 2050, in 2020 the European Commission established the Taxonomy Regulation [Regulation (EU) 2020/852].

This Section is prepared by the SMCP Group in accordance with Regulation (EU) 2020/852 of June 18, 2020 (known as the "Green Taxonomy" Regulation) and Delegated Regulations (EU) 2021/2139 and (EU) 2021/2178 together with the Climate DR (2023/2485) and the Environmental DR (2023/2486) aimed at promoting environmentally sustainable investment.

The aim of the Green Taxonomy is to identify economic activities that meet at least one of the following six environmental targets:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- the transition to a circular economy (CE);
- pollution prevention and control (PPC);
- protection and restoration of biodiversity and ecosystems (BIO).

In accordance with the Regulation, for the financial year ended December 31, 2024, SMCP discloses the proportion of its revenue, Capex and Opex that are eligible and aligned with the Taxonomy with regard to the six environmental targets.

Turnover, capital expenditure and operating expenses that fall within this reporting scope cover all of the Group's activities and are aligned with the scope of consolidation of the financial statements for 2024.

ASSESSMENT OF ELIGIBLE ACTIVITIES

The majority of the Group's activities (99.5%) namely the sale of ready-to-wear, accessories and footwear are not eligible for the European Taxonomy.

The European Union has defined the activities that could be eligible for the Taxonomy. The relevant activities for SMCP Group include:

- CE 5.1 – Repairs, refurbishment and reconditioning related to repairs;
- CE 5.4 – Sale of second-hand goods;
- CE 5.5 – Product-as-a-Service and other circular usage-driven service models;
- CCM 7.3 – Installation, maintenance and repair of equipment promoting energy efficiency;
- CCM 7.7 – Acquisition and ownership of buildings.

Eligible turnover

In 2024, the SMCP Group's eligible revenue was 5.9 million euros, up 55% compared to 2023. This increase is explained by the development of services which promote the circular economy (see paragraph "Actions and resources related to resource use and circular economy [E5-2]").

It covers the sale of second-hand products operated by the Sandro and Maje brands in Europe, and the rental of products operated by these same brands, directly or through partners in Europe and the United States. It also covers repair activities operated in France for Maje and Sandro.

Partners are companies that provide the operational part of second-hand and rental services for the Group's brands.

These three activities contribute to the Taxonomy's circular economy target.

As mentioned above, the majority of the Group's business activities are not included in the delegated regulations, and 99.5% of the Group's total turnover is not eligible for the Taxonomy.

Eligible Capex

"Taxonomy eligible Capex" represents 97.1% of SMCP's "Total Taxonomy Capex", compared with 95.8% in 2023. This change is explained by the greater weighting of leasehold rights category in Capex in 2024 in comparison to 2023.

The Group does not own the buildings it operates, and the relevant Capex corresponds to new store lease agreements (IFRS 16) and investments related to the development of buildings to promote energy efficiency. 34 leases were newly signed or renewed in 2024, while more than 80 stores were involved in energy efficiency improvement work (switch from LED lighting, change of windows, change of air conditioning system, etc.).

These activities contribute to the climate change mitigation target.

Eligible Opex

In 2024, the "Total Taxonomy Opex" as defined by the related legislation (DR Article 8 (2021/2178)) amounted to less than 10% of the Group's total operating expenses (cost of sales, personnel costs and other current operating expenses). In view of this limited amount and the nature of the expenses concerned, which do not represent the Group's core business, the work carried out concludes that this metric is not material. The numerator is therefore considered to be zero. In accordance with the Regulation, no analysis of the eligible and aligned "Taxonomy Opex" was therefore carried out.

ASSESSMENT OF ALIGNED ACTIVITIES

Aligned turnover

Activity 5.1 – Repairs, refurbishment and reconditioning related to repairs

In 2024, the Group launched its repair activity. SMCP analysed the turnover and investment from this activity with the aim of transitioning to a circular economy. Following this analysis, the turnover relating to this new activity is considered non-material.

Activity 5.4 – Sale of second-hand goods

SMCP is affected by activity 5.4 because of its second-hand product sales activities operated by the Sandro, Maje and Claudie Pierlot brands in Europe, which contribute to the circular economy target.

In order to be able to determine the share of its turnover aligned with the Taxonomy criteria, the Group conducted a series of interviews with all of its service providers to examine the alignment of its second-hand goods activities with regard to the criteria of substantial contribution to the circular economy.

SUBSTANTIAL CONTRIBUTION TO THE CIRCULAR ECONOMY

To be considered as a substantial contributor to the circular economy, second-hand goods must be sold in compliance with the following conditions:

- the economic activity consists of selling a second-hand product that has been used by a customer in accordance with its intended purpose (...);
- the product sold is covered by a sales contract (...);
- when the economic activity involves the delivery of packaged products to customers, the product's primary and secondary packaging meets the criteria defined by the European Union.

With regard to the first two points, all second-hand services are covered by General Purchasing Conditions that meet both criteria.

With regard to packaging, SMCP verified the types of packaging and alignment with European Union criteria. After analysis, the stated criteria have been met.

SMCP then verified that it complied with the Do No Significant Harm principle as regards the other five environmental targets and the minimum safeguards.

“DO NO SIGNIFICANT HARM” (DNSH) CRITERIA

- climate change adaptation: in line with the EU Taxonomy, SMCP must also prove that it does not significantly compromise the achievement of the climate change adaptation target. The Group conducted a study of the exposure of its activities to physical and transition climate risks (see paragraph “3.1.4 Impact, Risk and Opportunity (IRO) Management”, “Climate change – E1”). No physical risk related to the sale of used goods has been identified. In addition, the Group carried out a study of exposure to physical risks for all second-hand product storage sites using scenarios in accordance with IPCC scenarios (SSP 4-5 and 8-5) using the open source tool R4RE⁽¹⁾. The results of this study highlighted the exposure of these sites to certain risks. For each risk identified, an additional discussion was held with partners to learn about the mitigation measures that partners had put in place, which were deemed satisfactory;
- water: an analysis was carried out of the potential impacts of the activity on water. Only water consumption for product preparation (cleaning, stain removal) was identified, and as actions to limit water consumption were implemented by all brand partners, the criterion was deemed to be aligned;
- pollution prevention and control: the DNSH criteria relating to pollution were validated after studying the information shared by partners during the various interviews. As potential impacts on pollution in connection with air, water or litter are virtually non-existent, it was deemed that these DNSH criteria had been met.

Activity 5.5 – Product-as-a-Service and other circular usage-driven service models

SMCP is covered by Taxonomy activity 5.5 due to its product rental activities operated directly or through partners, both in Europe and the United States.

In order to be able to determine the share of its turnover aligned with the Taxonomy criteria, the Group conducted a series of interviews with all of its partners.

SMCP then verified that it complied with the Do No Significant Harm principle as regards the other five environmental targets and the minimum safeguards.

SUBSTANTIAL CONTRIBUTION TO THE CIRCULAR ECONOMY:

To be considered as a substantial contributor to the circular economy, the rental activity must comply with the following conditions:

- the activity allows the customer (natural or legal person) to access and use the product(s), while ensuring that the company providing this service retains ownership of it/them;
- the activity makes it possible to extend the life of the product or to increase the intensity of use of the product in practice;

- when the economic activity involves the delivery of packaged products to customers, the primary and secondary packaging meets one of the following criteria: the packaging comprises at least 65% recycled materials, when it is from paper or cardboard, and the remaining primary raw materials are Forest Stewardship Council (FSC)-certified or the packaging has been designed to be reused as part of a reuse system;
- when the economic activity involves the laundry and dry cleaning of used clothing, the activity complies with an ISO type 1 environmental label or equivalent certification.

To verify these various components and to verify that the criteria was being met, the Group conducted interviews with its various partners.

With regard to the first point, all rental services are covered by general purchasing conditions that meet the criteria. The brands own the rented products.

Regarding the criterion of increasing the intensity of use, SMCP made use of the study on “Fashion and economy of use: a slow transformation”⁽²⁾ carried out by the Paris Île-de-France Chamber of Commerce and Industry in November 2023, which stipulates that “a rented item of clothing is worn 15 times on average while a purchased piece of clothing is worn six times.”

With regard to packaging and product cleaning, partners are in charge of cleaning the products, and for packaging the responsibility is shared between the brand or the partner, as appropriate. After verification with partners, the packaging and cleaning characteristics are aligned with European Union criteria.

The Group’s rental activities are therefore carried out well in line with the criteria defined by the European Taxonomy Regulation.

“DO NO SIGNIFICANT HARM” (DNSH) CRITERIA:

- climate change adaptation: in this respect, the Group has adopted the same approach as for the sale of second-hand goods. No risk related to the leasing activity has been identified. For product storage sites, the mitigation measures put in place by the partners in the event of risks were deemed satisfactory;
- water: an analysis was carried out of the potential impacts of the activity on water. Only water consumption for product preparation (cleaning, stain removal) was identified, and as actions to limit water consumption were implemented by all brand partners, the criterion was deemed to be aligned;
- pollution prevention and control: the DNSH criteria relating to pollution were validated after studying the information shared by partners during the various interviews. As potential impacts on pollution in connection with air, water or litter are virtually non-existent, it was deemed that these DNSH criteria had been met.

(1) R4RE (Resilience for Real Estate) is a free platform developed by the Sustainable Real Estate Observatory to assess the resilience of buildings to climate risks and biodiversity in Europe.

(2) Link to the study: https://www.cci-paris-idf.fr/sites/default/files/2023-11/Étude%20prospective%20-%20Mode%20et%20%C3%A9conomie%20de%20l'usage_3.pdf

Aligned Capex

Activity 7.3 – Installation, maintenance and repair of equipment promoting energy efficiency

SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION

SMCP is affected by activity 7.3 because of its status as a tenant of retail space.

The Group obtained from its architecture department the information related to the investments made to improve the energy efficiency of retail space. For SMCP, the investments aligned with the Taxonomy primarily relate to the installation of LED lighting, the Energy Monitoring System (EMS) and the new energy-efficient air conditioning systems as well as the replacement of store windows during renovations or store openings.

All of the LED lighting and EMS investments were considered to be energy efficient. For new air conditioning systems, the Group obtained information from its partners on the energy performance of the equipment installed (energy rating, theoretical consumption data). Equipment with a rating of A or higher or a Seasonal Energy Efficiency Ratio (SEER) of more than 5.1 was considered to be efficient. Store windows are only replaced if a sealing problem or thermal leak is identified. As a result, any change of storefront is considered efficient.

Eligible "Taxonomy Capex" for activity 7.3 is €35.3 million.

"DO NO SIGNIFICANT HARM" CRITERIA

In line with EU Taxonomy, SMCP must also prove that it does not significantly compromise the achievement of the climate change adaptation target. In this respect, the Group has carried out a study of the exposure of its assets to physical risks for all eligible assets in accordance with IPCC scenarios (SSP 4-5 and 8-5). The results of this study show that SMCP leased assets are located in low-risk areas. The details of this study are presented in paragraph "3.1.4.1 Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)" under "Specifications on processes to identify and assess IROs in line with the disclosure requirements for E1, E2, E3, E4, E5 and G1".

Following this analysis, the aligned "Taxonomy Capex" for activity 7.3 is €2 million.

Activity 7.7 – Acquisition and ownership of buildings

SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE MITIGATION

SMCP is affected by activity 7.7 due to its status as the tenant of a number of buildings. For the 2024 financial year, this concerns the buildings that the Group has started a new lease on during the year and assets for which the lease has been renewed during the year.

To do so, for all assets whose leases were signed and/or renewed during the 2024 financial year, SMCP identified the corresponding energy performance certificate as well as the energy consumption linked to the energy performance assessment.

In this respect, eligible "Taxonomy Capex" for activity 7.7 is €156 million euros.

To be considered as a substantial contributor to climate change mitigation, real estate assets must meet the following criteria:

- the building is not dedicated to the extraction, storage, transportation or production of fossil fuels;
- for buildings built before December 31, 2020, the building has at least a class A energy performance certificate or is located in the top 15% of the national or regional building stock. Buildings built after December 31, 2020 must meet the specific criteria set out in the Regulation.

For the first criterion, none of the buildings is related to fossil fuel extraction, storage, transportation or production activities. For the second criterion, SMCP used class A energy performance certificates and for its other assets, SMCP compared the energy intensity of the assets with Deepki's ESG index[3] for France and Europe. In the absence of a benchmark for the North America and Asia regions, LEED certificates were used.

"DO NO SIGNIFICANT HARM" CRITERIA

In line with EU Taxonomy, SMCP must also prove that it does not significantly compromise the achievement of the climate change adaptation target. In this respect, the Group has carried out a study of the exposure of its assets to physical risks for all eligible assets in accordance with IPCC scenarios (SSP 4-5 and 8-5). The results of this study show that SMCP leased assets are located in low-risk areas. The details of this study are presented in paragraph "3.1.4.1 Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)" under "Specifications on processes to identify and assess IROs in line with the disclosure requirements for E1, E2, E3, E4, E5 and G1".

Following this analysis, the aligned "Taxonomy Capex" for activity 7.7 is €6.8 million euros.

MINIMUM GUARANTEES

Minimum safeguards are part of the Taxonomy alignment criteria. They aim to clarify that eligible economic activities can only be considered environmentally sustainable if they are carried out under conditions that meet both social standards and certain minimum governance criteria.

In this context, companies must put in place appropriate processes and procedures to avoid any negative impact or violation regarding four specific matters: human rights (including labour rights), taxation, corruption/bribery and fair competition.

SMCP has implemented a comprehensive approach to ensure compliance with minimum safeguards regarding human rights, taxation, corruption/bribery and fair competition. An assessment of the integration of governance standards into SMCP's existing policies was carried out.

With regard to respect for human rights and labour rights, the Group has set up several initiatives such as a contractual mechanism for suppliers (Supplier Code of Conduct and General Purchasing Conditions) and a whistleblowing system accessible to all stakeholders outside the company.

In addition, all partners and suppliers have signed the Group's Code of Conduct, which includes these various minimum safeguards.

With regard to corruption, bribery and fair competition, the Group has implemented a strict policy based on several components, presented in paragraph 3.4.2 "Corporate culture and business conduct policies, and prevention and detection of corruption and bribery".

Lastly, with regard to taxation, as mentioned in paragraph 2.1.5 "Legal and regulatory risks", the Group ensures compliance with tax laws in the countries in which it operates, provides the required information to the authorities and facilitates their investigations. It applies the OECD principles for a fair distribution of profits through its transfer pricing policy.

Following this analysis, it appears that the activities eligible for the Taxonomy were carried out in a manner that fully complied with the minimum safeguard criteria.

REGULATORY TABLES FOR THE EUROPEAN TAXONOMY

Summary of results

Economic activities	Revenue		CapEx	
	€m	%	€m	%
A. TOTAL ELIGIBLE ACTIVITIES	5.9	0.5%	200.1	97.1%
A1. Aligned activities	5.9	0.5%	8.8	4.3%
of which CE 5.4 – Sale of second-hand goods	1.8	0.2%	-	-
of which CE 5.5 – Product-as-a-Service and other circular usage-driven service models	4.1	0.3%	-	-
of which CCM 7.3 – Installation, maintenance and repair of equipment promoting energy efficiency	-	-	2.0	1.0%
of which CCM 7.7 – Acquisition and ownership of buildings	-	-	6.8	3.3%
A2. Eligible but non-sustainable activities (not aligned)	-	-	191.3	92.8%
of which CE 5.4 – Sale of second-hand goods	-	-	-	-
of which CE 5.5 – Product-as-a-Service and other circular usage-driven service models	-	-	-	-
of which CCM 7.3 – Installation, maintenance and repair of equipment promoting energy efficiency	-	-	35.3	17.1%
of which CCM 7.7 – Acquisition and ownership of buildings	-	-	156.0	75.7%
B. TOTAL ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY	1,205.8	99.5 %	6.0	2.9%
TOTAL (A+B)	1,211.7	100%	206.1	100%

Revenue

2024 financial year	2024			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	Absolute turnover	Share of revenue	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Share of turnover aligned with the Taxonomy (A.1.) or eligible for the Taxonomy (A.2.), 2023	Category (enabling activity)	Category (transitional activity)
		€m	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	M	T
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																			
Sale of second-hand goods	CE 5.4	1.8	0.2%	N/EL	N/EL	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	YES	N/EL	YES	0.1%	M	
Product-as-a-Service and other circular usage-driven service models	CE 5.5	4.1	0.3%	N/EL	N/EL	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	YES	N/EL	YES	0.2%	M	
Turnover of environmentally sustainable activities (aligned with the Taxonomy) (A.1)		5.9	0.5%	N/EL	N/EL	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	YES	N/EL	YES	0.3%	M	
Of which enabling		5.9	0.5%	YES	NO	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	YES	N/EL	YES	0.3%	M	
Of which transitional		0	0.0%																
A.2 Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
Sale of second-hand goods	CE 5.4	0	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Product-as-a-Service and other circular usage-driven service models	CE 5.5	0	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Turnover of activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)		0	0%	%	%	%	%	%	%								0%		
A. Revenue from activities eligible for the Taxonomy (A.1 + A.2)		5.9	0.5%	%	%	%	%	%	%								0.3%		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
Turnover from activities not eligible for the Taxonomy (A.2)		1,205.8	99.5%																
TOTAL A + B		1,211.7	100%																

Capital Expenditure – CapEx

Investment category	Increase in gross value in 2024 (in €m)
Right-of-use assets on leases (IFRS 16) ^[1]	162.8
Property, plant and equipment (IAS 16) ^[2]	35.3
Intangible assets (IAS 38) ^[3]	8.0
"TOTAL TAXONOMY CAPEX" (DENOMINATOR)	206.1

- (1) Note 6.3.1 to the consolidated financial statements "Right of use".
(2) Note 6.2 to the consolidated financial statements "Property, plant and equipment".
(3) Note 6.1.2 to the consolidated financial statements "Intangible assets".

2024 financial year	2024			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria								Share of CapEx aligned with the Taxonomy (A.1.) or eligible (A.2.) for the Taxonomy, year 2023	Category (enabling activity)	Category (transitional activity)
Economic activities	Code	CapEx	Share of CapEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees				
		€m	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	M	T	
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																				
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																				
Installation, maintenance and repair of equipment promoting energy efficiency	CCM 7.3	2.0	1.0%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.3%	M		
Acquisition and ownership of buildings	CCM 7.7	6.8	3.3%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	5.4%	M		
CapEx of environmentally sustainable activities (aligned with the Taxonomy) (A.1)		8.8	4.3%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	5.7%	M		
Of which enabling		8.8	4.3%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.3%	M		
Of which transitional		0.0	0%																	
A.2 Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Renovation of existing buildings	CCM 7.2	35.3	17.1%	EL	EL	N/EL	N/EL	N/EL	N/EL								24%			
Acquisition and ownership of buildings	CCM 7.7	156.0	75.7%	EL	EL	N/EL	N/EL	N/EL	N/EL								66.1%			
CapEx of activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)		191.3	92.8%														90.1%	N/A	N/A	
A. CapEx of activities eligible for the Taxonomy (A.1 + A.2)		200.1	97.1%														95.8%	N/A	N/A	
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																				
CapEx of activities not eligible for the Taxonomy (B)		6.0	2.9%																	
TOTAL A + B		206.1	100%																	

Operating expenses – OpEx

2024 financial year	2024			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
	Code	OpEx	Share of OpEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Share of OpEx aligned with the Taxonomy (A.1.) or eligible (A.2.) for the Taxonomy, year 2023	Category (enabling activity)	Category (transitional activity)
Economic activities		€m	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	M	T
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																			
OpEx of environmentally sustainable activities (aligned with the Taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	N/A	N/A
A.2 Activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
OpEx of activities eligible for the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)		0	0%														0%	N/A	N/A
OpEx of activities eligible for the Taxonomy (A1 + A2)		0	0%														0%	N/A	N/A
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
OpEx of activities not eligible for the Taxonomy (B)	N/A	31.7	100%																
TOTAL A + B	N/A	31.7	100%																

NUCLEAR ENERGY AND FOSSIL GAS ACTIVITIES

Row	Nuclear energy activities	
1	The Company carries out, finances or is exposed to research, development, demonstration and deployment of innovative facilities for the production of electricity from nuclear processes with a minimum of waste from the fuel cycle.	NO
2	The Company carries out, finances or is exposed to construction and safe operation of new nuclear facilities for the production of electricity or industrial heat, in particular for urban heating purposes or for the purposes of industrial processes such as production hydrogen, including their safety upgrades, using the best available technologies.	NO
3	The Company carries out, finances or is exposed to the safe operation of existing nuclear facilities for the production of electricity or industrial heat, in particular for urban heating purposes or for the purposes of industrial processes such as the production of hydrogen, from nuclear energy, including their safety upgrades.	NO
	Fossil gas activities	
4	The Company carries out, finances or is exposed to construction or operation of facilities for the production of electricity from gaseous fossil fuels.	NO
5	The Company carries out, finances or is exposed to construction, refurbishment and operation of combined heating/cooling facilities and electricity from gaseous fossil fuels.	NO
6	The Company carries out, finances or is exposed to construction, refurbishment or operation of heat production facilities that produce heat/cold from gaseous fossil fuels.	NO

3.3 Social information

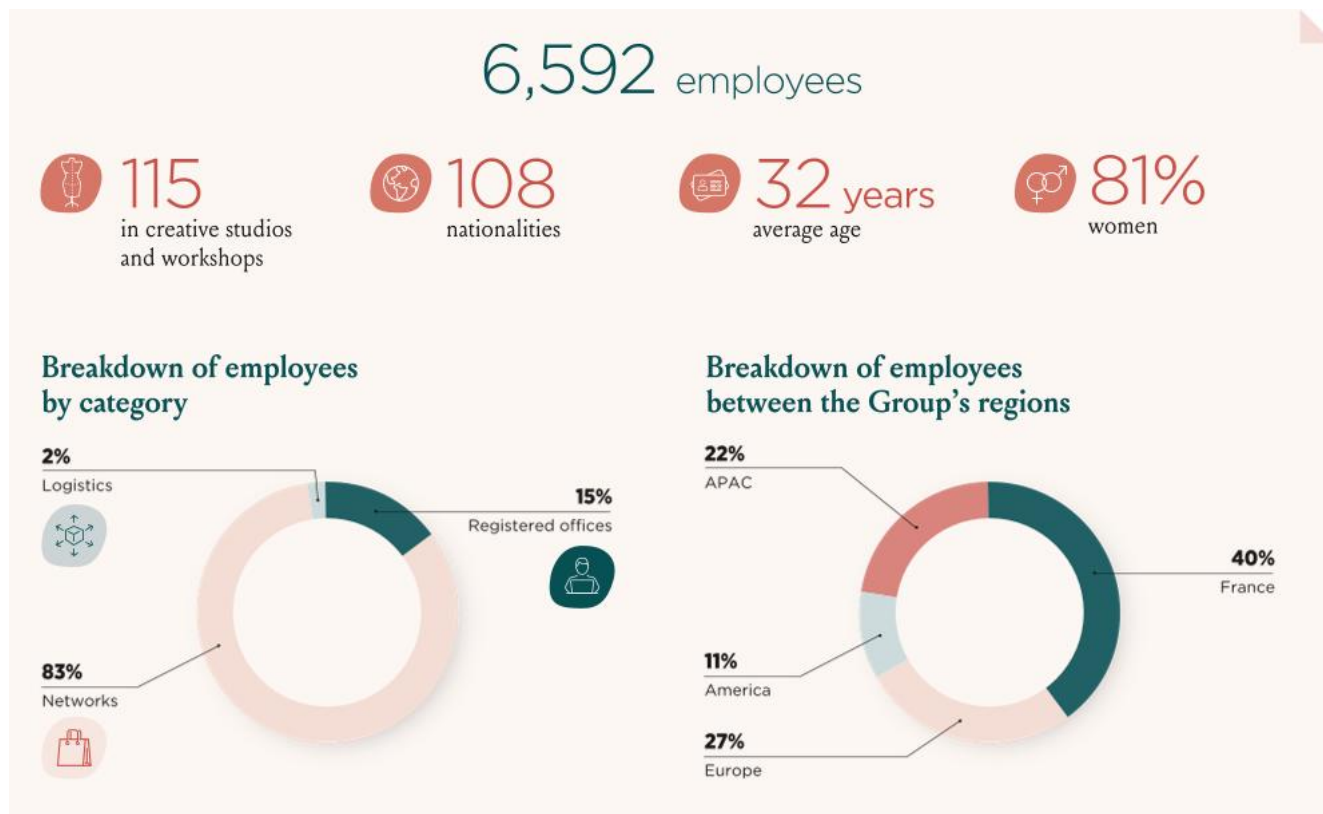
3.3.1 Company personnel [S1]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO COMPANY PERSONNEL (IRO-1) AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Social dialogue	Own operations	Negative impact: infringement of the fundamental freedoms of employees in the event of failing social dialogue	Non-material	Collective agreements, discussions with employee representation bodies, internal employee survey
Compensation and social protection	Own operations	Negative impact: deterioration in the standard of living and health of employees in the event of insufficient compensation and social protection schemes	Operational risk: increased costs related to measures to increase salaries or improve the level of social protection of employees	Compensation policy
Diversity and inclusion	Own operations	Negative impact: infringement of employees' human rights in the event of discriminatory practices	Non-material	- Diversity and inclusion strategy built around four pillars: gender equality, support for parenting, disability and social inclusion 2024 creation of a disability mission in France, signing of disability agreements in France
Talent development and skills management	Own operations	- Negative impact: harm to employees' well-being at work in the absence of training, development opportunities or professional support - Positive impact: increased well-being at work for employees benefiting from an effective training and development system	Operational risk: decrease in revenue due to personnel training deemed unsatisfactory by customers	Training programmes and tools, mobility policy, internal employee survey, managing the talent cycle
Health, safety and quality of life at work	Own operations	Negative impact: deterioration of the mental health and physical harm of employees in the event of poor working conditions and a deficient health and safety risk prevention system	Reputational risk: difficulties in attracting and retaining employees due to insufficient commitment to health, safety and quality of life at work	Collective agreements, internal employee survey, communication and awareness-raising

HUMAN RESOURCES POLICIES (S1-1)

The sustainability of SMCP's business model relies on employees and their skills, as they are the interface between the Group's brands, partners and customers around the world. SMCP relies on a rich and diversified talent pool, with nearly 6,592 employees working in stores, head offices and logistics:



The information presented below describes the policies implemented by the Group.

Human resources governance and structure

The Human Resources Department operates under the control of the Board of Directors' Nominations and Compensation Committee.



The HR function is structured around the coordination of centralised business experts at Group level and operational HRDs in each brand and entity. The role of these central teams is to develop and harmonise HR policies across all Group brands and entities, to ensure talent management at the strategic level and to provide advice and

technical support to operational staff. They play a crucial role in promoting an organisational culture based on entrepreneurial strength and commitment to each person's mission, and the values of respect, diversity, inclusion and social responsibility.



In addition, the operational HR departments work with their teams to roll out and adapt the SMCP HR policy to each entity, taking into account its challenges, and the local context if applicable.

Their role is to:

- roll out all the HR policies and practices defined by the Group within each brand/entity, at the regional/local level;
- adapt HR strategies to the specific needs of each brand and entity, in compliance with the guidelines, taking into account any context-related constraints;
- manage day-to-day operations, relationships and HR support - in particular employee recruitment and support, performance management, organisational optimisation and well-being.

This governance model allows the Group's HR/CSR strategy to be deployed by centralising expertise and promoting operational flexibility within the brands and entities.

The Group HR experts and operational HR directors are coordinated with an HR Europe Management Committee which brings together experts and HR managers every week, allowing for strategic alignment and the circulation of information useful for a full understanding and integration of the HR strategy.

SMCP values and human resources policies

SMCP's HR policy has its roots in the culture instilled by its founders: a culture built on passion, entrepreneurial spirit, creativity and boldness.

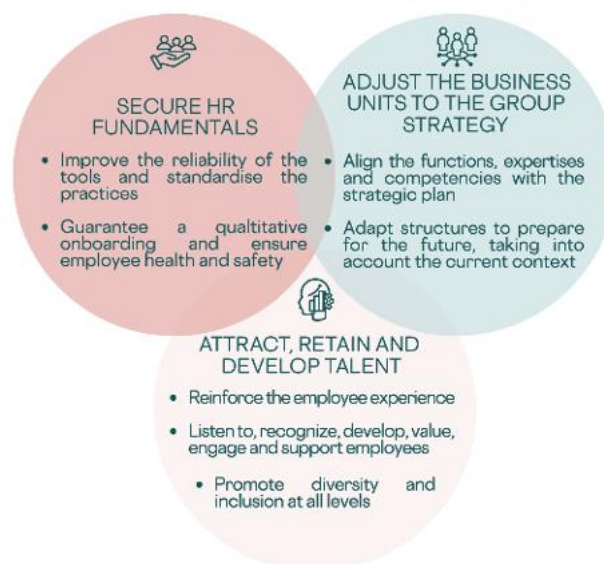
These roots are reflected in the Group's values, shared at all levels of the Company and around the world:

- Being a passionate entrepreneur: acting with agility, as if it were your own company, being visionary and ready for anything;
- Acting with a sustainable awareness: making a positive contribution, incorporating corporate social responsibility into day-to-day actions and thinking long term;
- Nurturing creativity and innovation: bringing new ideas to always stay one step ahead;
- Developing a global mindset: going beyond our own field of action, strengthening links between entities;
- Thinking of elegance as an attitude: showing respect, being kind and caring for others each and every day.

They are also reflected in the SMCP management model. Indeed, this model is committed to giving managers a key ambassador role based on four principles: sharing the vision and promoting an ethical culture of results, seeking authenticity and diversity, being courageous and developing their teams and promoting collaboration and mobility.

The HR vision is simple: to be an employer with the same appeal as its brands. In practice, this HR ambition is based on three strategic pillars:

The Group long term sustainable growth support



The SMCP Group remains firmly committed to its values and ethical principles, including respect for human rights. In this respect, the United Nations (UN) Guiding Principles, the Declaration of the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises guide the Group's actions.

These commitments are specified in the Code of Ethics and in the supplier Code of Conduct (see paragraph 3.4 "Information on business conduct – [G1]") to ensure responsible conduct throughout the value chain. The Group has a zero tolerance policy towards all forms of human trafficking, forced labour or child labour throughout its value chain (see paragraph 3.3.2 "Workers in the value chain – [S2]") but also in its day-to-day business conduct within its own operations and therefore for its employees.

In view of the Group's business activities and the countries in which it operates, respect for human rights is deemed non-material following the double materiality analysis. However, this subject is considered material at the level of the Group's supply chain (see paragraph 3.3.2 "Workers in the value chain [S2]"). However, SMCP remains attentive to any potential feedback from its employees on issues related to this subject.

The Group is convinced that the way its employees carry out their jobs on a social, environmental and societal level is essential to its success and its sustainability, and is a source of value creation.

In addition, SMCP is committed to eliminating all forms of discrimination based on personal characteristics such as age, gender expression, sexual orientation, parental status, origins, disability, religious beliefs, social environment or education. These commitments are reflected in all of the Group's HR policies (social dialogue, compensation and benefits, talent development and management, and health, safety and quality of life at work).

The Group's Diversity and Inclusion policy is also described in paragraph "Diversity and Inclusion (S1-9 and S1-12)". Although the Group strives to treat all its employees in the same way, specific provisions for disabled or unemployed workers are detailed in this section.

These HR policies are shared with employees, whether in the network, at head offices or in the warehouses, *via* different channels. Initially, the Group's Code of Ethics is communicated to new employees upon their arrival and is permanently available on the SMCP intranet shared by all entities. In addition, in the day-to-day business, these policies and commitments are reiterated in the statements made by the Group and brands' General Management teams, in the messages of the Ethics Committee, or in the statements of the HR teams (see Section below "Processes for engaging with Company personnel and their representatives about impacts (S1-2)").

Policies are also disseminated to employees through specific training courses, such as the "SMCP vision" induction training, or specific modules on the e-learning platform on certain topics (for example, diversity and inclusion or the prevention of corruption and conflicts of interest). Finally, these policies are implemented on a daily basis by the entire management chain. In addition to annual objectives, managers are assessed every year on their ability to embody and promote the Group's values, and to ensure that their teams have completed the mandatory training courses covering these key topics.

PROCESSES FOR ENGAGING WITH COMPANY PERSONNEL AND THEIR REPRESENTATIVES (S1-2)

Within the SMCP group, in order to facilitate and promote a culture of open feedback, several structured processes to promote interaction between Management and employees have been put in place, while strengthening the corporate culture.

At the individual level, employees are invited to share their expectations and needs through the annual performance review process.

At the collective level, monthly talks are held with employee representatives on the Works Council (see paragraph "Social

dialogue and collective bargaining – S1-8"). These meetings are an essential channel for information feedback, making it possible to address priority issues for employees.

In addition, regular discussions (*SMCP Update*, *Moments Claudie*) are held between Management^[1] and employees, offering a transparent space for discussion where everyone is invited to ask questions. For in-store teams, there are conferences (Sandro, Maje Tours, etc.) dedicated to the presentation of new collections, which align commercial objectives with a clear vision of the products.

The Group has also introduced an annual satisfaction survey to measure the commitment of its employees and identify areas for improvement on various topics. The results of these discussions are analysed and used to implement appropriate development actions. The Group monitors how likely its employees are to recommend the Company (employee NPS) and has set itself the target of improving this rating to at least 7.5/10 by 2027.

CHANGE IN EMPLOYEE NPS

2023	2024	2027 objective
7.1	7.3	≥ 7.5

SMCP also organises a Hackathon, bringing together volunteer employees from the Paris region representing the various Parisian head offices (brands and Group). The objective is to encourage participants to work for two days with employees from other departments, whom they do not see in their daily lives, around an inspiring and strategic topic for the Group. After two days of reflection, the teams are invited to present in front of a panel of representatives from different departments, chaired by the Chief Executive Officer. For example, the first SMCP Hackathon, in 2021, resulted in the creation of the SMCP Retail Lab. The second edition of the Hackathon was held in November 2024 and led a discussion on the Group's corporate purpose. The results of this second edition are currently being examined and reviewed by the Group's strategy department.

These initiatives demonstrate the SMCP Group's commitment to promoting constructive dialogue and valuing the involvement of its employees.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR COMPANY PERSONNEL TO RAISE CONCERNS (S1-3) AND CASES, COMPLAINTS AND HUMAN RIGHTS IMPACTS (S1-17)

As explained in paragraph "Human Resources policies (S1-1)", the challenges related to respect for human rights are not material for the Group in the scope of own operations. However, SMCP is attentive to any feedback from employees. To do this, a whistle-blowing system has been set up which is accessible to all its employees. This system is described in detail in chapter G1, paragraph "Policies related to business conduct and the prevention and detection of corruption and bribery (G1-1, G1-3)".

Disclosure requirements related to cases, complaints and human rights impacts (S1-17) are presented below:

	2024
Total number of reported harassment incidents	2
Total number of proven harassment incidents	0
Total amount of fines, penalties and compensation for damages resulting from incidents and complaints mentioned above	0

[1] Depending on the case, this may be General Management of the brands, regions or the departments of the major central functions (finance, HR and operations).

CHARACTERISTICS OF COMPANY EMPLOYEES (S1-6)

Definition of workforce

SMCP's workforce includes people on permanent contracts, fixed-term contracts together with work-study students as of December 31, 2024.

WORKFORCE BY GENDER

Gender	2022	2023	2024
Women	5,288	5,442	5,339
Men	1,237	1,218	1,253
Total	6,525	6,660	6,592

The number of employees has remained relatively stable since 2022. The proportion of women in the workforce remains at around 81%.

NUMBER OF EMPLOYEES FOR EACH SUBSIDIARY

Subsidiaries	2022	2023	2024
SMCP SA	27	26	22
SMCP GROUP	170	189	200
SMCP LOGISTIQUE SAS	149	146	147
SANDRO ANDY SAS	880	871	887
MAJE SAS	634	660	665
CLAUDIE PIERLOT SAS	451	488	488
SMCP ASIA Ltd. and its subsidiaries	1,580	1,599	1,244
SMCP USA Inc. & SMCP CANADA Inc.	659	655	703
FURSAC SA	247	265	249
Other subsidiaries*	1,708	1,761	1,987
TOTAL	6,525	6,660	6,592

* Workforce in Australia and New Zealand is included in other subsidiaries.

NUMBER OF EMPLOYEES IN COUNTRIES IN WHICH THE COMPANY HAS AT LEAST 50 EMPLOYEES REPRESENTING AT LEAST 10% OF EMPLOYEES

Country	Number of employees	% of total workforce
France	2,658	40%
China	847	13%
United States	540	8%

France, China and the United States account for 61% of the Group's workforce.

Breakdown of SMCP employees across the globe



NUMBER OF EMPLOYEES BY GEOGRAPHICAL AREA AND BY GENDER

	2022	2023	2024
France	2,578	2,645	2,658
Europe ^[1]	1,708	1,761	1,759
America	1,580	1,599	703
APAC	659	655	1,472

67% of the Group's employees are located in France and other European countries. The change in the distribution of employees, and in particular the distribution between North America and the APAC region, reflects changes related to the commercial activity of the Group and its brands (openings and closures during the year).

For 2024, the breakdown by geographic area and gender is as follows:

	Women	Men
France	1,980	678
Europe	1,491	268
America	536	167
APAC	1,332	140

NUMBER OF EMPLOYEES BY GEOGRAPHICAL AREA AND BY CATEGORY

	2022	2023	2024
Registered offices	966	1,020	992
Networks	5,410	5,494	5,453
Logistics	149	149	147

The breakdown by category is stable, with the store network employing 83% of the Group's employees. The 2024 breakdown by geographical area and by category is as follows:

	Registered offices	Networks	Logistics
France	734	1,777	147
Europe	38	1,721	0
America	80	623	0
APAC	140	1,332	0

Breakdown of employees by category



[1] For all the metrics in Section S1, the figures for Europe do not take into account France, for which the results are presented on a separate line.

NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND GEOGRAPHICAL AREA

	France	Europe	America	APAC
Number of employees	2,658	1,759	703	1,472
Number of permanent employees	2,407	1,366	405	1,127
Number of temporary employees	251	386	4	46
Number of non-guaranteed hours employees	0	7	294	299
Number of full-time employees	2,311	739	409	1,239
Number of part-time employees	347	1,020	294	233

As a result of its activities, SMCP may use temporary contracts or non-guaranteed hours contracts to meet specific needs such as additional personnel for sales periods. The number of temporary

employees in the logistics business activity is proportionally greater because of the specific nature of this activity.

NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND BY GENDER

	Women	Men	Total
Number of employees	5,339	1,253	6,592
Number of permanent employees	4,268	1,037	5,305
Number of temporary employees	550	137	687
Number of non-guaranteed hours employees	521	79	600
Number of full-time employees	3,597	979	4,576
Number of part-time employees	1,742	274	2,016

81% of the Group's employees are women. In addition, 80% of employees have permanent contracts and 69% work full time.

WORKFORCE TURNOVER

Number of employees who left the company	4,755
Rate of staff turnover	57%
Rate of voluntary staff turnover	43%

The figures presented above include voluntary and involuntary staff turnover, excluding Australia and New Zealand, representing 3% of the total workforce. The percentage of voluntary staff turnover in 2024 was 43%. Voluntary departures include resignations, the employee deciding to leave at the end of the trial period and retirements.

In 2024, the percentage of involuntary staff turnover, following a dismissal, a contractual termination, an employer's termination at the end of the trial period or a death is 14%.

The overall staff turnover rate is 57%, up 1 point compared to 2023.

CHARACTERISTICS OF NON-EMPLOYEES (S1-7)

Non-employees represented 4% of the total workforce in 2024. They include corporate officers and interns who are part of the Company's workforce, as well as external staff such as consultants, freelancers or temporary workers.

SOCIAL DIALOGUE AND COLLECTIVE BARGAINING (S1-8)

Social dialogue and collective bargaining policy

In order to encourage a culture of social dialogue and in accordance with its engagement policy, the SMCP Group promotes a close relationship with its employee representatives. With this in mind, in France, the Group relies on several bodies from the Works Council of the UES (Economic and Social Unit, bringing together the Sandro, Maje, Claudie Pierlot brands and the other Global Services and Logistics entities). The Works Council meets at least once a month during plenary meetings chaired by the SMCP Social Affairs Director.

Employee representatives also have the opportunity to meet with their respective Human Resources Department during one-off meetings (at least once a year), in addition to plenary meetings. This practice makes it possible to maintain local dialogue and to deal with more operational subjects.

In addition, at least once a year, elected officials discuss the Company's strategy with Executive Management, the Finance Director and the Director of Human Resources and CSR.

Lastly, the Group also has employee representatives within Fursac in France and in certain European countries (Spain, Luxembourg and Italy).

SMCP undertakes to establish an open dialogue with the representatives of its personnel in order to guarantee respect for fundamental rights at work.

The Group has always wanted to involve its social partners upstream to collectively define its social ambitions. By way of example, based on a collective agreement on the promotion of quality of life at work entered into in 2018, the social partners and management set out, firstly, to consolidate the strong values that have shaped the Group's entrepreneurial culture, and secondly, to reiterate that each employee must act responsibly and as an ambassador of the Group's values in their daily roles. It was in this context that the Group's Code of Ethics was drafted and implemented.

As stipulated in the Group's Code of Ethics, the Company promotes respectful social dialogue and encourages consultation with social partners, as well as considering employee representatives in each of the countries in which it operates. SMCP respects the right to freedom of expression and opinion of its employees as well as the right of everyone to freely and voluntarily create and/or join groups (associations, trade unions) to promote and defend their professional interests.

The SMCP Group negotiates regional or national agreements, or sets action plans that it can deploy at global level, taking into account specific local laws and regulations.

These various action plans and/or collective agreements grant employees benefits compared to those provided for by local laws and regulations, particularly in terms of Diversity & Inclusion. For example, all of the Group's employees have been covered by a harmonised parental policy since January 1, 2025.

In 2024, the Group had not defined a target in connection with social dialogue; one will be defined in 2025.

Actions and resources related to social dialogue and collective bargaining

In France, due to the expiry of terms of office, 2024 was characterised by the reappointment of employee representative bodies within the SMCP UES. A Works Council has been set up at the level of the SMCP UES and is currently composed of 44 elected members and alternates, two Works Council union representatives and six union representatives affiliated to the CFTC and UNSA, who are employees of the Group's various entities.

In 2024, a Disability agreement was signed with the employee representative bodies (see details in paragraph "Diversity and inclusion (S1-9 and S1-12)").

Metrics and related to social dialogue and collective bargaining

	2024
Percentage of employees covered by collective bargaining agreements (Europe scope)	84%
Percentage of employees represented by employee representatives (Europe scope)	63%

In France, 100% of employees are covered by collective agreements and are represented by employee representatives. Outside France, in Europe, collective agreements apply in Italy, Spain, Portugal, the Netherlands, Switzerland, Sweden and Belgium. Employees in France, Spain and Luxembourg have employee representatives. Employees who do not benefit from coverage or representation do so because no local obligation requires it, or because their number is lower than the threshold required for the establishment of collective agreements or staff representatives.

DIVERSITY AND INCLUSION (D&I) (S1-9 AND S1-12)

Policy and objectives related to diversity and inclusion

In 2023, the SMCP Group structured its diversity and inclusion strategy through commitments covering all its employees worldwide. This new strategy was based on the results of an audit conducted in 2022 by an independent third party including an analysis of our diversity and inclusion policies, and a survey of our employees on their perception of how well the Group manages these issues and their expectations.

The diversity and inclusion strategy is the result of collaborative work involving all the brands and regions in which the Group operates, and is based on four areas with objectives to be achieved by 2025 and 2030:

- **gender equality:** the objective is to maintain a representation of women in the Company's management bodies (Board of Directors and Executive Committee) and in the highest compensation levels at a rate of over 50%. In addition, the Group is committed to identifying and addressing, where applicable, any gender pay gap between women and men;

- **parenting:** this policy aims to offer all Group employees (parents and co-parents) parental leave at least equivalent to those offered to employees in France as well as additional rights related to parenting. This is reflected in the granting of 16 weeks of maternity leave and 28 days of co-parent leave, paid in full, to all SMCP employees worldwide as well as paid leave days when returning to work after the birth of a child. In addition, authorised days of absence are granted to all employees in the event of miscarriage, fertility treatment and adoption;
- **disability:** the objective is to reach 3% of employees with disabilities by 2030 in all countries^[1] having established public policies to promote the employment of people with disabilities and improve the accessibility of websites and stores. The disability policy is structured around actions promoting the employment and integration of persons with disabilities, facilitating professional integration and job retention, strengthening indirect employment through collaboration with the protected and adapted sector, and through actions that change the way people think within the Company through awareness-raising, training and communication;

[1] France, Germany, Italy, Spain and Portugal, representing 54.61% of the Group's average workforce.

- **social and cultural diversity:** the objectives include both internal and external actions. Internally, SMCP wants to develop integration programmes for teams of people who are excluded from employment, to replicate the approach taken by the Retail Lab training (see details in paragraph "Actions and resources" below). We also intend to give a greater focus to diversity in management positions, even though this is not measurable in all countries. Externally, the Group wants each brand and region to form partnerships with local organisations working to promote equal opportunities or social inclusion.

This policy is based on the following reference documents:

- **agreement on professional equality, quality of life at work and diversity:** signed in June 2022 for France scope. It commits the Group to concrete actions marking key moments in employees' lives:
 - starting with recruitment, with no-CV recruitment campaigns in order to open up opportunities to as many people as possible, and with mandatory training on recruitment without bias for recruiting employees on the MyLearning space, which is open to all;
 - during career management, with the implementation of training and awareness-raising actions on the challenges of diversity and the fight against discrimination, as well as the promotion of internal mobility on a global scale, and finally the deployment of HR development tools to guide and help with objective decision-making;
 - during important moments in life such as supporting employees who are parents.
- **disability agreement:** In 2024, SMCP signed an agreement⁽¹⁾ in France with social partners in order to establish new rights for employees with disabilities. In addition to personalised support, an employee with a disability may, if their situation warrants it, take additional paid days of absence to be able to carry out any administrative procedures and attend medical appointments including for severe endometriosis. Specific support is also provided for employees who are parents and caring for a disabled child with a disability rate of more than 50%, by granting four days of paid leave per year. At the same time, SMCP wants to strengthen indirect employment by creating partnerships with adapted companies (ESAT) and establishments or services providing assistance through work (ESAT from now to the end of its agreement in 2026). These actions are part of a global disability inclusion approach at SMCP, which also includes training for teams working with employees with disabilities, and assistance in the recruitment of new employees with disabilities.
- **Group Code of Ethics:** with a dedicated Section "Promoting dialogue, diversity and inclusion" which states that "the Group is committed to promoting diversity and inclusion and gender equality and to making the necessary efforts to provide employees with a respectful, motivating and stimulating work environment".

Management of harassment and discrimination:

In 2018, the Group set up a whistle-blowing system to provide additional ways in which employees can communicate their concerns. It is open to all employees to report problems,

harassment or discrimination via a single dedicated address ethics@smcp.com (see details on the whistleblowing procedure in paragraph "Business conduct policies and prevention and detection of corruption and bribery [G1-1, G1-3]").

In order to ensure the proper deployment and monitoring of the measures supported by the Group's strategy, SMCP's Diversity and Inclusion Manager relies on dedicated committees set up for each region and at Group level. The members of these committees reflect the diversity of profiles and business lines within the Company.

Actions and resources related to diversity and inclusion

Launch of the disability policy

The SMCP Group's disability mission was launched in 2024 with the recruitment of a disability project manager and the signing of disability agreements with the SMCP UES and Fursac in France. Disability ambassadors have been identified and trained within all brands to support the daily lives of workers with disabilities.

A commission has been set up to monitor the disability agreements signed with the trade unions and will ensure that the measures undertaken in the agreement are properly applied.

The Group disability mission will also support the North America, APAC and Europe regions in the deployment of a disability policy through recruitment, awareness-raising and training actions.

Employee training and awareness-raising on diversity and inclusion

The Group has set up a dedicated portal on its MyLearning training tool, which is accessible to all employees worldwide. The portal offers general information on diversity and inclusion, a detailed presentation of the Group's strategy in this area, as well as training on key topics at global and/or local level, such as training on non-discriminatory recruitment and "diversity standard" training. Employees can use the portal to replay digital conferences offered to employees during the year. For example, in 2024, on endometriosis or autistic disorders.

In addition to this digital tool, several awareness-raising actions were rolled out in 2024. To inform French employees of the creation of the disability mission and the flagship measures of the disability agreement, a dedicated week was organised with a number of awareness-raising workshops and daily communications. Also, as part of the Paris Paralympic Games, SMCP held a competition to raise employee awareness and to give them a chance of winning tickets for the Games.

Deployment of the parenting policy:

The Group's new parenting policy was rolled out in July 2024 in six countries (France, Ireland, the United Kingdom, Spain, Portugal and Italy) and from January 1, 2025, it now covers all SMCP employees worldwide.

⁽¹⁾ Two identical agreements were signed, one covering the SMCP UES and the second covering Fursac.

Continuation of the Retail Lab initiative

In line with the actions carried out in 2023, the Group renewed the Retail Lab initiative, offering innovative and certified omnichannel sales advisor training to people who are excluded from employment. This will be rolled out for one year, as part of work-study programmes within the four brands. It is a three-pronged programme: firstly, it is based on a customisation of the omnichannel sales advisor training

led by EMA SUP; secondly the Institut Français de la Mode will host several days on fashion culture; and finally, SMCP will be responsible for acclimatising work-study students to the brands, their DNA and their operations throughout the year. At SMCP Retail Lab, SMCP has chosen to host around 20 candidates excluded from employment per year^[1], from all backgrounds, with motivation and interest in fashion as the only selection criteria.

Diversity and inclusion metrics

DIVERSITY IN MANAGEMENT

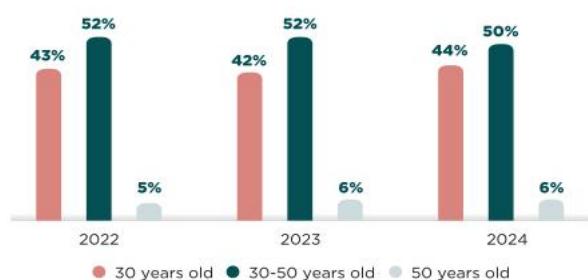
	2022	2023	2024	2025 target
Percentage of women on the Board of Directors	56%	56%	56%	>50%
Percentage of women on the Executive Committee	62%	62%	75%	>50%
Percentage of women in senior management positions	77%	78%	73%	>50%

The percentage of women in the Group's management bodies and in senior management remained well above 50%.

	Women	Men
Number of employees at senior management level	71	26

Women represent 100% of the Company's top 100.

AGE DISTRIBUTION



94% of the Group's employees are under 51 years old. The average age of employees is 32. This breakdown has remained stable since 2022.

DISABILITY

	2024	Objective
Percentage of people with disabilities among employees – worldwide (scope: countries for which there is an employment obligation regulation for people with disabilities*)	0.48%	2030: 3%
Percentage of people with disabilities among employees – (France scope**)	0.88%	2026: 1.8%

* i.e. France, Germany, Italy, Spain, Portugal, representing 54.61% of the Group's average workforce.

** This metric is calculated using the calculation method proposed by the French Disability Act. Details of the calculation are available in the methodological Note in paragraph 3.5.1.

PARENTING

	2024	2025 objective
Parenting policy deployment rate (in % of total workforce)	57%	100%

Since January 1, 2025, the policy has been rolled out to 100% of SMCP employees worldwide.

For the coming years, the objective is to maintain the 100% rate by extending the parenting policy to any new Group country.

[1] People experiencing difficulties integrating, with little or no qualifications, requiring pathways to employment.

COMPENSATION AND SOCIAL PROTECTION (S1-10, S1-11 AND S1-16)

Policies and objectives related to compensation, and social protection

The Group's compensation policy is based on three key concepts:



SMCP has taken care to develop an attractive compensation policy which acts as an incentive to retain employees, and which is also competitive with equivalent positions on the market to attract new talent. The Group's compensation system provides each employee with a motivating and competitive compensation package, which includes compensation components such as fixed salary, short-term and long-term variable compensation and employee benefits and benefits in kind.

In addition to always respecting the minimum standards set by local legislation, the Group ensures that it applies non-discriminatory wage practices.

Competitive compensation

In 2024, 99% of the SMCP population received a salary at least equal to or higher than the national or local minimum wage. The remaining 1% relates to a country in which the statutory minimum is not defined. In this case, SMCP bases its compensation on local practices communicated via compensation surveys.

SMCP aims to ensure a fair and competitive salary for its employees. The Group ensures that, every year, each employee's compensation is reviewed to ensure that it is aligned with the internal and external market, to attract the right candidates, retain talent, and compensate employees in accordance with their level of performance in their position.

The pay increase budgets allocated to the salary policy are negotiated with the social partners at various meetings devoted to mandatory annual negotiations.

Individual raise requests are structured to guide managers in their proposals, taking into account the employee's situation in relation to their peers and the external market, their performance and their potential for development, while following the Group's policy of non-discrimination (against background, gender, nationality, or any other non-professional criterion).

The Group is monitoring progress and discussions on adequate wages, and will carry out an analysis in the coming years subject to publicly available standards.

Performance-based compensation

To optimise the relationship between the compensation of employees and Group objectives, variable compensation for head office employees is structured to reflect the contribution of each employee to the achievement of collective and individual objectives, defined in line with the Group's strategy.

Objectives combine individual contribution and collective performance. Annual objectives relate to performance indicators for the sector in which the employee works, but also to the Group's performance indicator, which is EBIT. In 2024, 61% of head office employees were eligible for annual variable compensation.

This performance is assessed through an annual appraisal system for all employees, as described in the paragraph "Employee talent development and skills management (S1-13)".

In addition, all sales teams are eligible for a variable portion that is indexed to sales performance, which may be collective or individual.

All members of the management committees (1.9% of the workforce) also receive free performance shares constituting long-term compensation. The number of shares awarded to each manager varies according to the level of responsibility. The free performance shares, delivered at the end of the vesting period, are subject to an employment condition at the time of vesting, and to performance conditions linked to the achievement of internal financial objectives, the performance of SMCP shares compared to companies in the CAC Mid & Small index, and the achievement of CSR objectives (see paragraph 4.2 "Compensation and benefits").

Employee profit-sharing and incentive schemes (France)

In France, employees of companies belonging to the SMCP UES are covered by employee profit-sharing under a collective agreement signed on September 1, 2012. Under this agreement, the special reserve for profit sharing is indexed to the earnings of the companies included in the scope of the agreement in the form of deferred financial profit-sharing entitlements calculated on the basis of the relevant companies' net profit. To be entitled to distribution of the special reserve, employees must be able to demonstrate at least three months' service in one or more companies that are signatories to the agreement.

At Fursac, employees benefit from profit sharing under a collective agreement signed in 2002.

Under these two agreements, the special profit-sharing reserve is calculated pursuant to applicable legal provisions (Article L. 3324-1 of the French Labour Code) and the amounts are distributed in proportion to the gross wage received in the base year.

For 2024, the amount of the special profit-sharing reserve of the SMCP UES was approximately 0.65 months of gross salary for an employee employed for the full year. The amount for Fursac was 0.

Since 2022, employees of companies belonging to the SMCP UES have had a stake in the Company's results through a collective incentive scheme.

The eligibility conditions are the same as those for profit-sharing.

Incentives are calculated based on collective CSR targets, a collective human resources target, and a target linked to French revenue performance.

In 2024, the amount was approximately 0.30 months of gross salary for an employee employed for the full year.

The UES has a company savings scheme with five funds of different types offering varying degrees of risk and performance outlook. Fursac has a company savings scheme which can receive payments of the amounts received under the profit-sharing plan.

Gender equality and equal pay for work of equal value

In order to achieve the Group's objective of equal pay for equal work, SMCP has implemented a shared methodology within the Group, to measure and analyse the gender pay gap annually by level of position in each country. This allows SMCP to carry out corrective action plans each year in cases where there are compensation gaps of more than 5% without justification.

The analysis of the gender pay gap covers the full SMCP workforce as of December 31, 2024. In order to improve the accuracy and relevance of the results, certain exclusions have been applied due to inconsistencies in the collected data. In addition, to date, the information system used does not allow the Group to extract compensation data for certain countries, which are not yet integrated into the tool or whose integration was completed during the year which means that a full-year analysis is not possible. SMCP aims to cover 100% of the workforce in the next five years or *via* another system. These exclusions represent 3.5% of the total workforce.

The gender pay gap analysis is based on gross hourly pay levels in each country.

Difference in compensation between women and men

	2024	Annual targets
Gender pay gap in France (40% of the population)	0.9%	+/- 2%
Gender pay gap taking into account position levels in all SMCP countries	-0.5%	+/- 2%

Social protection

In accordance with its commitment to comply with the legal requirements in each country in which it operates, the SMCP Group ensures that its employees benefit from adequate social protection and actively reinforces its social protection actions when necessary, by striving to align with international standards while respecting local regulations. It focuses its efforts on providing comprehensive support to its workforce, taking into account the unique circumstances of each country and employee type in order to ensure fair and robust social coverage (sickness, unemployment, workplace accidents, parenting and retirement).

It is important to note that the SMCP group's approach to social protection is decentralised, based on compliance with the legal requirements specific to each country. Therefore, coverage may vary depending on the applicable regulations and practices in the respective jurisdictions.

More specifically, in some of the 24 countries in which the Group operates, there may be variations in the coverage of major life events such as illness, unemployment, workplace accidents, parenting and retirement depending on the employee category.

Within SMCP, the gender pay gap is 12% in favour of men. This figure does not take into account specific compensation components in the countries in which it operates or job levels. In order to offer a more detailed and relevant perspective, SMCP analyses the gaps taking into account job levels in each country. Globally, this gap is 0.5% in favour of women, and in France (representing 40% of employees), this gap is 0.9% in favour of men. These results collectively provide an overview of the gender pay dynamics according to levels of responsibility, therefore facilitating informed decision-making and promoting transparency within the organisation.

Each year, an analysis of the gender pay gap is carried out by comparing the contractual compensation of permanent contracts by country and by level of position in order to implement individual or collective actions in the event of discrepancies of +/-5% which are not justified by experience, performance, scope or level of responsibility. From 2025, this analysis will be carried out on differences greater than +/- 2%.

With regard to parenting, the Group wanted to voluntarily implement a policy with a set of rights shared by all employees worldwide (see paragraph "Diversity and inclusion (S1-9 and S1-12)").

Total annual compensation ratio

The total annual compensation ratio is equal to 64.7 in 2024. These results are presented in the context of the Group's multinational structure, established in 22 countries.

It is important to note that the comparison refers to the highest compensation of a multinational listed in France, with employees spread around the world. Such contextual information is essential in order to interpret the compensation ratio in various global contexts, taking into account the specifics of international compensation standards, currency fluctuations and regional variations in salary practices.

TALENT DEVELOPMENT AND EMPLOYEE SKILLS MANAGEMENT (S1-13)

Policies and objectives related to talent development and employee skills management

Retail is a sector known for its high standards, dynamism and competitiveness. As a result, SMCP seeks, through its talent policy, to support its employees in the acquisition of skills and know-how essential to the success of their missions and to offer them personalised development pathways, by ensuring that training and skills management are two essential pillars of the Group's HR policy. This policy aims to:

- **train all employees⁽¹⁾ on the Group's values and business lines** from their first days with us, to ensure that they are committed, competent and able to meet the demanding requirements of the sector;
- **promote individual productivity and creativity** through professional development and the enhancement of each person's skills;
- **evolve and develop new skills** through training actions and mobility opportunities.

Employee skills management

The Group's talent policy is built around SMCP values in order to offer everyone opportunities for dynamic career development and progression. Innovation and the ability of teams to adapt are decisive factors in the business lines, where the collections are constantly being renewed and the market is changing at an increasingly rapid pace. Employee development is a central element of the HR policy in order to improve individual performance, but also to strengthen the Company's overall competitiveness.

The Talent Committees monitor Group and local issues with the HR departments of the various regions, providing the same level of information and the same guidelines to everyone. All stages of the talent cycle (current or future campaigns, etc.) are targeted for anticipation, management or assessment.

In view of the central role of the performance appraisal in the talent cycle, SMCP closely monitors the appraisal completion rate. At the end of the campaign, SMCP benefited from a high level of commitment to these processes for all eligible groups (head office and retail) and throughout the Group's geographical scope. The objective is to maintain a rate above 90%.

Internal mobility

SMCP strongly values and promotes internal, vertical and horizontal changes within and between business units. Mobility is considered a key factor in employee loyalty and development in a highly competitive market.

Thanks to its diverse brands, its different business lines and its international presence, the Group offers genuine career prospects to its employees. SMCP benefits from a wealth of expertise and geographical locations that enable it to offer a wide range of opportunities. This policy is embodied in the sales force teams, where the Group encourages internal mobility for all positions, and particularly for those of store managers. The Group has set itself the target that at least 60% of its store managers are recruited through internal promotion. At the end of 2024, 69⁽²⁾% of store managers met this definition.

The SMCP career cycle is structured to support development with step-by-step promotions (head salesperson, assistant, etc.) and training to gradually grow into each key role.

The eligibility criteria for mobility foster ambition, with only nine months of service required to be able to benefit from job mobility in retail roles, and 18 months for head office roles.

Mobility is monitored *via* mobility committees. They aim to discuss opportunities to be filled within the various entities, to report on staff needs and to encourage mobility through discussions around employees who could benefit from opportunities for horizontal or vertical internal development.

Training

SMCP is convinced that developing employees' skills, increasing their skills and setting up courses to acquire new knowledge is in the interests of both employees and the Group.

SMCP recruits very diversified levels of experience and qualifications, with the first in-store roles accessible without necessarily having a specific level of education. Thus, for SMCP, training is an essential pillar of the HR strategy, particularly for teams on the ground who work directly with customers in stores.

By investing in the development of employees' skills as soon as they are onboarded, and by offering diversified educational approaches, the Group aims to offer an environment in which each employee can learn and develop the skills necessary to successfully carry out their role by boosting employee well-being at work. The Group has set itself the objective of achieving an average of 22 hours of training per trained employee by 2027.

(1) "SMCP Vision" e-learning training course accessible to all employees worldwide and face-to-face training for new employees at Paris head offices.

(2) The data excludes Australia and New Zealand, which do not have an information system enabling monitoring (representing 3% of the total workforce).

Actions and resources related to talent development and employee skills management

Talent cycle and associated tool

The talent cycle is structured around a number of highlights during the year, which are relevant to the entire Group:



There are two bodies in place to effectively and specifically manage the annual talent review exercise:

- a Talent Review Committee for each business unit, bringing together the Chief Executive Officer and the Human Resources Director of each business unit as well as the Group Human Resources and CSR Director and the Group Talent Development Manager. It is used to prepare for the Group Talent Review Committee;
- a Group Talent Review Committee, bringing together all the Chief Executive Officers of each entity, the Chief Executive Officer of SMCP and chaired by the Group Human Resources and CSR Director and the Group Talent Development Manager. The purpose of this Committee is to present the consolidated results of the various review exercises.

Training of new employees, tools and resources used

The onboarding process for store teams combines in-store learning with the digital MyLearning training platform. The aim is to create a career path adapted to the brand and positions held.

This programme lasts between two and three weeks and is offered to each new salesperson to enable them to find out more about: their brand (history, values and DNA of the brand); sales processes, products (the collections, trends and presentation); store

management rules and specific issues (cybersecurity, etc.) using e-learning awareness modules available across the Group. In addition, store-based managers are identified and trained to support new employees.

Onboarding for new employees of the Group's Paris head offices also comprises a number of key steps, including a welcome morning at their brand, several key and mandatory e-learning modules to take in the first few weeks on the MyLearning platform (cybersecurity, anti-corruption and conflicts of interest, etc.); a guided tour of the logistics warehouses and an SMCP vision training course, during which employees are made aware of the Group's global history and its values.

In addition, the Group also offers newcomers the opportunity to spend half a day to a day in one of its stores.

The MyLearning platform is accessible from day one to new employees^[1] from store-based teams and head office teams, with a rich and varied catalogue of both onboarding and further development modules.

In addition to the onboarding process, SMCP supports its employees in developing their skills throughout their careers. This process is customised for each business line, with two main groups: retail and head office.

[1] Excluding those joining the Group for less than three months.

To train sales force teams, tailor-made programmes have been built in-house. Among these are all the collection content for the sales forces of each brand. This content aims to communicate the spirit of and the inspiration for the two annual collections (spring-summer and autumn-winter) by offering numerous accounts and videos from the creative teams. They are released gradually during the season, following the rhythm of the many capsules that usually make up each collection.

For head office staff where there are a wide variety of roles, SMCP works with specialised service providers and reviews its training offer every year. Head office training is referenced in a central catalogue for Europe and a specific catalogue for North America and the APAC region in order to best meet local challenges.

A dedicated internal team of SMCP specialists for the MyLearning platform works on the production of new content throughout the year. SMCP works in close coordination with each brand to offer a set of personalised courses. In 2024, this team helped the brands to create training content for the spring-summer and autumn-winter seasons.

There are dedicated training managers for each brand. They are in charge of excellence programmes specific to their brand.

The Group follows employee satisfaction with its training offer by monitoring the score given to the question "I have the opportunity to learn and develop my skills through e-learning, training, certifications or projects" in its internal survey. In 2024, this score was 4.1/5 and was one of the best scores obtained by the Group.

Metrics related to talent development and employee skills management

Employee development

	2023	2024	Annual target
Percentage of employees who have completed the annual performance appraisal ¹	90%	93%	> 90%

(1) This metric corresponds to the disclosure requirement "Percentage of employees who have received regular performance and career development reviews".

Mobility

	2024	Annual objective
Percentage of Store Manager positions filled by internal promotions*	69%	> 60%

* The data excludes Australia and New Zealand (representing 3% of the total workforce).

Training

In terms of training, SMCP monitors the number of hours provided to its employees to ensure that this is consistent with its development ambitions.

AVERAGE NUMBER OF TRAINING HOURS:

	2023	2024	2027 objective
Average number of training hours**	17	18	22

** Corresponding to 161,450 hours for 2024 and 152,735 hours for 2023. E-learning accounts for 86% of the hours completed.

AVERAGE NUMBER OF TRAINING HOURS BY GENDER:

	Women	Men
Average number of training hours	21	21

The data presented here excludes two regions: America, for which identification by gender is not allowed, and the APAC region, for which reporting by gender was not implemented in 2024. After analysis, in France and in Europe, there is therefore no difference in access to training between men and women.

AVERAGE NUMBER OF TRAINING HOURS BY PROFESSIONAL CATEGORY

	Employee	Supervisor	Executive
Average number of training hours	18	25	16

Calculation by category is only available for employees based in France. To date, the information system used does not allow the Group to perform the analysis for all employees due to a non-uniform classification of management categories throughout the world. The "employee" category mainly includes sales assistants, and supervisors covers store managers and assistant managers.

The figures obtained reflect the Company's strategy to invest particularly in these key groups, who are in direct contact with customers and acting as product ambassadors. The difference in the average volume of training between employees and supervisors is explained by store managers' access to special training in line with their managerial responsibilities.

	2022	2023	2024
Percentage of employees who took at least one training course	77%	75%	77%

HEALTH, SAFETY AND QUALITY OF LIFE AT WORK (S1-14 AND S1-15)

Policy and objectives related to health, safety and quality of life at work

The Group's health, safety and work-life balance policy is based on the principle of providing employees with a healthy, safe working environment that allows them to maintain a good work-life balance.

In France, it is supported by a number of agreements:

- **health and safety principles (France):** these principles establish the standards and procedures to ensure the health and safety of employees. They are based on the single occupational risk assessment document (DUERP) intended to improve the safety and physical and mental health of employees, to avoid or limit occupational risks, by including accident prevention measures, safety protocols, access to mental health crisis lines and health and safety training programmes;
- **agreement on professional equality and quality of life at work (France):** this agreement, which was signed on June 23, 2022 with all the representative trade unions within the SMCP UES, aims to promote work-life balance, create an inclusive and diversified working environment and improve quality of life at work;
- **home working and work organisation principles (France):** this agreement, signed unanimously in March 2022, defines the terms and conditions for working from home, ensuring greater flexibility and productivity while maintaining a healthy work-life balance. It includes guidelines on the layout of the home workstation, time management and the relationship with managers, the framework and exceptions, as well as the necessary technological tools and precautions.

The Works Council plays a central role in France in strategic decisions and monitoring of the Company's initiatives, as well as a key role in the governance of the health, safety and work-life balance policy. It brings together elected representatives and trade union representatives at least once a month.

The Health, Safety and Working Conditions Committee (CSSCT), an offshoot of the Works Council, meets at least four times a year and

focuses specifically on issues related to health, safety and working conditions. It analyses occupational risks, proposes preventive actions, and ensures that health and safety rules are applied.

Human Resources (HR) managers and Quality of Life at Work (QLW) officers supervise and implement policies and actions relating to work-life balance, and ensure that these policies are aligned with the Company's strategic objectives.

At Group level, global principles in terms of health, safety and work-life balance are deployed in order to guarantee all employees a healthy and safe working environment, while promoting a good work-life balance. These principles are based on international standards and local initiatives adapted to the specific aspects of each country.

The Group uses its survey to measure all employees' satisfaction with its policy. The survey covers several topics, including staff perception of health, safety and well-being, providing the Group with a snapshot of employees' feelings and enabling it to set continuous improvement action plans.

The Group has set an annual target based on the survey question "My workplace protects my health and safety", which is to maintain a minimum score of 4/5.

Actions and resources related to health, safety and quality of life at work

In order to guarantee the well-being of employees throughout their SMCP experience, many initiatives are put in place as soon as they join the Company:

Annual QLW Awareness Week and regular initiatives

A week dedicated to quality of life at work is held each year, including a variety of activities such as sports sessions, nutrition workshops, conferences on digital disconnection, time management, interpersonal skills or other workshops aimed at taking time out for yourself. This week comes in addition to initiatives in the various Group entities and regions, aimed at encouraging balance for employees. Similar initiatives are organised at least once a year in the various regions.

Mental health crisis line and mental health

A 24/7 helpline is available for all employees when they need it, offering psychological support and mental health advice, in addition to occupational health services. Qualified professionals from a professional risk prevention organisation are available to provide immediate confidential assistance.

Satisfaction survey

Since 2023, the Group has implemented internal surveys worldwide to assess the satisfaction of all employees. The results are analysed to identify strengths and areas requiring improvement, in order to adapt action plans and initiatives to improve the well-being of all. A specific health and safety question is linked to a target.

Training and development

Mandatory health and safety training is provided, including first aid, risk management, accident prevention and movements and posture, particularly in warehouses and head offices. In addition, safety training procedures and kits are available to point-of-sale staff.

Specific training is available to improve quality of life at work, such as stress management, time management and non-violent communication. Conferences on work-life balance are also held, together with relaxation technique awareness actions.

Awareness campaigns

The Group organises or supports blood donation and medical screening campaigns several times a year. These initiatives aim to encourage employees to take care of their health and to participate in community actions and donations at events around the world, to help more vulnerable groups. In addition, in 2024, three conferences were offered for Paris head office staff, one on work-life balance, one on endometriosis and one on cancer.

Metrics related to health, safety and quality of life at work

As explained in paragraph "Characteristics of non-employees S1-7", the data on accidents only covers salaried employees of the Group.

Monitoring of absenteeism rate and workplace accident rate

Regular monitoring of absenteeism rates is carried out to identify trends and potential health or stress issues. Corrective actions are implemented based on data analyses. Workplace incidents and accidents are also monitored to assess the effectiveness of safety measures.

	2024
Percentage of employees covered by a health and safety management system	94%
Percentage of employees covered by a health and safety management system (France and Europe scope)	100%
Number of fatalities as a result of workplace accidents and work-related health problems	0
Number of workplace accidents	128
Workplace accident frequency rate (number of workplace accidents per million hours worked)	13.13
Number of cases of occupational illnesses declared during the year	1
Number of calendar days lost due to workplace accidents and deaths due to workplace accidents, occupational illnesses and deaths due to employee-related illnesses	5,947

Unless otherwise specified, the metrics in this table cover the entire scope of the Group's workforce. There is no published data for 2023, as the Group has historically reported these metrics for France and Europe. The data for 2023 is therefore not calculated on a comparable scope.

The absenteeism rate in France, which accounts for 40% of the SMCP workforce, was 6% in 2024 compared to 9% in 2023.

Work-life balance

100% of SMCP employees are eligible for family leave (maternity/adoption leave, paternity/second parent leave).

Percentage of eligible employees having taken this type of leave	2024
Maternity/adoption leave: for female employees during the year or for female and male employees during the year in the event of adoption	6%
Paternity/second parent leave: for fathers and second parents, from the birth or adoption of a child	0.5%

Employee satisfaction survey

	2024	Annual target
Score for the question "My workplace protects my health and safety"	4.1	> 4

3.3.2 Workers in the value chain [S2]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WORKERS IN THE VALUE CHAIN (IRO-1) AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Respect for human rights, health and safety	Upstream value chain	Negative impact: violation of human rights, health and physical well-being of personnel employed by suppliers	- Regulatory risk: breach of due diligence regulations - Reputational risk: customer disaffection for brands accused of human rights violations by their suppliers, leading to a fall in revenue	- Contractual system formalising the Group's environmental and social requirements: Supplier Code of Conduct and General Purchasing Conditions - Whistle-blowing system open to all external stakeholders - Country risk mapping (corruption and human rights) - Traceability system for manufacturing steps - Social audits of suppliers

The SMCP Group's activities generate direct or indirect relationships with workers throughout its value chain. At its sites, the Group has a limited number of service providers and temporary staff working in its warehouses in the Paris region or at its head offices in the context of IT or styling services. Service providers are also in charge of product storage and logistics in China and the United States. With regard to the distribution of collections, sales staff mainly work in the Group's partner stores. Logistics staff are predominantly male, while sales staff are predominantly female, as are people working in the Group's directly-operated stores.

However, the vast majority of workers involved in the Group's business activities are concentrated upstream of the value chain. They are involved in the various stages leading to the manufacture of products marketed by SMCP brands. It is at this level of the value chain that the most significant issues in terms of health and safety, respect for working conditions and human rights are also concentrated.

The double materiality work highlighted the fact that these upstream workers have greater exposure to risks related to health and safety and respect for the human rights. As a result, this Section focuses on the measures implemented for this type of worker.

The SMCP Group does not have its own manufacturing sites, and all of the products sold by its brands are produced by suppliers specialising in the textile and leather businesses located mainly in the Euro-Med region⁽¹⁾ and in Asia⁽²⁾. Two production models are used within the Group:

- cut-and-sew work, for which the Group's brands purchase fabrics and supplies directly from suppliers and then subcontract the manufacturing. 37% of the products in the 2024 collections were made using this model;

- the purchase of finished products from suppliers who are responsible for procurement of the various product components. 63% of the products in the 2024 collections are based on this model.

The Group's brands thus maintain direct contractual relationships with weavers, clothing manufacturers and accessory manufacturers. These are mainly small and medium-sized companies where the majority of the workforce is female. The sector presents significant social risks, particularly in terms of undeclared work, excessive working hours, compensation below the legal minimums or infringement of freedom of association with several major production countries that have not ratified the ILO conventions on freedom of association, the right to organise and the right to collective bargaining. The risks of harm to the health and safety of workers relate in particular to non-compliance with building fire and construction standards. The Group considers social (e.g. social audits) and environmental (environmental certifications) criteria when selecting its suppliers.

Further upstream in the production chain, other types of suppliers with which the Group's brands do not have a contractual relationship are involved in the production of the materials needed to manufacture the marketed products. Within this scope, there are companies involved in the production of raw materials (cotton, wool, viscose, polyester, leather) and others working in various processing steps (spinning, weaving, knitting, dyeing, tannery). While the social, health and safety risks mentioned above also apply to these players, other risks specific to these operations are to be noted such as the handling of substances hazardous to health during dyeing and tanning operations, as well as a risk of forced labour and child labour in cotton farming.

(1) Turkey, Morocco, Tunisia, Portugal, Spain, Italy, France, United Kingdom, Bulgaria, Romania, Ukraine, Poland, Serbia.

(2) China, Thailand, Cambodia, Vietnam, India.

In the textile industry, the very nature of the production processes involves many steps and a multiplicity of players throughout the value chain. This diversity of stakeholders increases the potential impacts and risks, particularly in terms of respect for workers' human rights.

However, SMCP and its brands work with a wide range of suppliers, which means that they can spread the dependency risk and allows them to be agile in replacing partners in the event of identified shortcomings. In addition, in order to minimise risks, the Group has implemented rigorous control systems, such as traceability (see paragraph "3.4.4 Traceability") and through the use of audits carried out by trusted third parties, which it strives to strengthen each year to ensure responsible practices throughout the supply chain. In addition, as described in Chapter "3.1 General information [ESRS 2]", paragraph "3.1.3.2 Interests and views of stakeholders [SBM-2]", the Group remains attentive to the interests of these stakeholders *via* analysis of audit reports or consultation of NGO reports.

POLICIES RELATED TO WORKERS IN THE VALUE CHAIN (S2-1), OBJECTIVES (S2-4), AND THE ENGAGEMENT (S2-2) AND REMEDIATION (S2-3) PROCESSES

The SMCP Group's policies on respect for social and human rights in its value chain are primarily based on adherence to the principles laid down in benchmark international texts such as the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization, the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

These principles are applied at the operational level *via*:

- dedicated governance;
- a contractual system for suppliers: Supplier Code of Conduct and General Purchasing Conditions;
- a whistle-blowing system available to any external stakeholder;
- country risk mapping;
- a traceability tool and audit methods.

The policy for managing social risks and human rights violations is defined at Group level by the CSR Department in collaboration with the Legal and Internal Audit Departments. The effectiveness of this policy is monitored by the Sustainability Committee within the Board of Directors. The guidelines issued at Group level are implemented in each brand by the teams responsible for production. The points of vigilance and the minimum safeguards expected from suppliers have been set in order to meet a minimum of the relevant parties' interests (decent working conditions, compensation in line with the work performed and respect for human rights). The procedures put in place aim to ensure consistency of minimum standards between the brands and to facilitate the sharing of information and best practices within the Group. Monthly meetings between SMCP's CSR and Compliance teams and the brands' production departments

ensure that the instructions disseminated are properly understood and complied with and that new needs are reported.

Prior to any business relationship, all suppliers are required to sign a code of conduct setting out in detail the Group's requirements in terms of respect for human and labour rights, anti-corruption and environmental protection. The topics of forced labour, child labour, discrimination, harassment, freedom of association, compensation, working hours and health and safety are addressed in specific points. This Code of Conduct is available on the Group's website in French, English and Chinese. The General Purchasing Conditions appended to each contract also refer to the Supplier Code of Conduct and the principles mentioned therein. Further details are provided in paragraph "3.4.3 Management of relationships with suppliers [G1-2)".

In 2024, the Group opened its whistle-blowing channel to stakeholders outside the Company. The email address ethics@smcp.com is mentioned in the Code of Conduct and on the Group's website, and is available to suppliers and their employees. As for reports sent by employees, the information received is examined and processed confidentially by the members of the Ethics Committee (General Counsel, Human Resources and CSR Director and the Internal Audit Director).

Country risk mapping is used to assess the level of exposure of the Group's supply chains to social risks and human rights violations. This mapping is updated each year on the basis of benchmark international publications (Human Development Index, Corruption Perception Index, etc.). It is used by the Group to prioritise audits for tier 2.

In order to verify that its suppliers are complying with its Code of Conduct, the Group relies on social audits carried out by specialised audit firms covering the following topics: health and safety, working hours, compensation, social protection, child labour, discrimination, harassment, freedom of association, forced labour and business ethics.

The Group has set itself the objective that all tier-one suppliers with which its brands have collaborated for the production of the S24 and W24 collections should be covered by a social audit. This obligation covers all suppliers with which the Group plans to continue to collaborate in subsequent seasons. SMCP aims to maintain this rate at 100% each year. Audits are either carried out directly by SMCP's CSR Department, or carried out at the request of companies working with these plants, according to standards recognised by the Group (BSCI, ICS, SMETA, WRAP, WCA and SA 8000). The identification of non-compliance leads to the implementation of corrective action plans with suppliers with improvement deadlines at three months, six months or one year. The discovery of critical non-compliances with no improvement may also lead to a breakdown in the business relationship.

The social risk management policy is also based on a traceability process for all the manufacturing steps of the products marketed by the Group, details of which are available in paragraph "3.4.4 Traceability".

ACTIONS RELATED TO WORKERS IN THE VALUE CHAIN (S2-4)

In 2024, the Group made substantial updates to its Supplier Code of Conduct and General Purchasing Conditions (GPC), to strengthen and clarify its requirements in terms of working conditions and respect for human rights. The main changes to the Code of Conduct concerned working hours (reminder of the ILO standards to be respected), compensation (compliance with legal minimums including for piece work, prohibition of wage deductions), the contribution expected from the supplier to the traceability process for the upstream production steps and the communication of the whistle-blowing system. With regard to the GPC, a specific CSR appendix has been included in order

to specify the Group's expectations in terms of traceability of raw materials used in the manufacturing of products. This addition aims to encourage the Group's suppliers to collaborate on information collection. Details of the progress made on traceability are presented in Chapter "3.4 Information on business conduct [G1]" in paragraph "3.4.4 Traceability".

The social audit of suppliers continued to progress in 2024 with all tier-1 suppliers having been socially audited. Among these audits, 79 were commissioned and financed directly by the Group and carried out by an accredited third party. (i.e. 25% of audits completed). A roll-out of social audits at tier 2 (weaving/knitting) is planned for 2025, prioritising the targeting of fabric suppliers from which the Group sources directly.

After analysis of the reports (rating, type of non-compliance), the audit results are classified into five categories:

Rating of audit report	Characteristics of identified areas of non-compliance	Examples of non-compliance
Very good performance	N/A	N/A
Good performance	Minor NCs	• Non-formalised procedures • Partial documentation on the completion of safety training
Average performance	Limited number of significant NCs	• Failure to perform fire safety drills • Exceeding the maximum number of overtime hours
Poor performance	At least one critical NC and/or a significant number of significant NCs	• Payment for overtime at a non-premium rate • No emergency exit, no fire alarm
Non-compliance resulting in immediate termination of the relationship	At least one NC classified as "zero tolerance"	• Audit refusal, clandestine subcontracting • Child labour

The non-compliance issues most frequently encountered during social audits at the Group's suppliers relate to working hours and compliance with certain fire safety standards (training of personnel, marking of emergency exits, not carrying out evacuation drills, etc.). Less frequently, non-compliance is also observed in terms of compensation, payment of certain social security contributions and protective equipment. Depending on the nature and severity of the non-compliance, follow-up audits are held within six months, one year or two years to verify that the necessary corrective actions have been implemented by the supplier, and that the non-compliance has been lifted. While the Group's policy is to support suppliers to resolve the problems identified during audits, significant cases of non-compliance combined with the supplier's unwillingness to implement corrective actions may lead to a breakdown in the business relationship. Finally, certain non-compliance issues deemed

to be extremely serious (clandestine subcontracting, presentation of false documents, corruption, child labour, etc.) or a refusal to allow a social audit may lead to an immediate termination of the business relationship. In 2024, two suppliers were delisted due to refusal to undergo an audit. No ethics reports concerning the Group's suppliers were received in 2024.

The Group's brands also analyse the social audit reports of new suppliers during the listing process. Suppliers are not listed if their social audit results are poor. In 2024, two suppliers were not listed for this reason.

In addition, SMCP has verified that its suppliers located in high risk areas have provided their employees with appropriate water, sanitation and hygiene services (WASH services).

METRICS RELATED TO WORKERS IN THE VALUE CHAIN (S2-5)

In order to monitor the effectiveness of its impact and risk management policy related to workers in its value chain, the SMCP Group monitors a number of metrics:

Social audit coverage

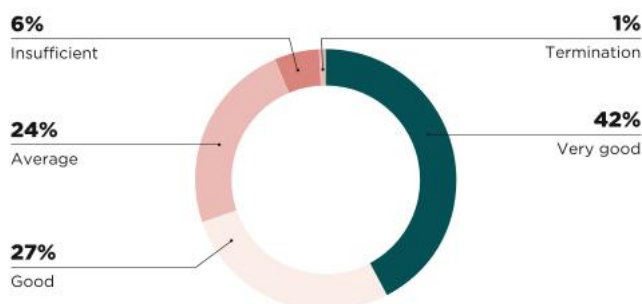
	2024	Annual objective
Percentage of tier-1 suppliers socially audited*	100%	100%

* This metric is calculated based on the number of plants covered by valid audits.

100% of the factories of active tier-1 suppliers⁽¹⁾ (clothing, assembly) that manufactured products for the Group's brands' summer and winter 2024 collections have a valid social audit carried out by an external firm. Audits are either carried out by the Group or carried out at the request of another company according to one of the following standards: ICS, BSCI, SMETA, WRAP, WCA or SA 8000. The objective is to maintain this rate at 100% each year.

In addition to the coverage rate, the Group also monitors the breakdown of audits by level:

Social audit results (tier 1)



69% of social audits had a result qualified as "good" or "very good" with no significant non-compliance.

24% resulted in an average performance requiring the implementation of a corrective action plan. 6% have a result deemed insufficient with significant non-compliance, whose resolution must be the subject of a follow-up audit at six months or one year. Finally, two factories, corresponding to 1% of social audits, were delisted due to their refusal to be audited.

Intentionally, no target has been set for this metric, as the primary target remains the identification of non-compliance.

(1) 35,219 tier-1 suppliers

3.3.3 Consumers [S4]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CONSUMERS (IRO-1) AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Responsible marketing	Downstream value chain	Negative impact: promotion of products or practices that harm the environment or human rights	- Regulatory risk: breach of regulations on misleading or false claims - Reputational risk: customer disaffection with brands accused of irresponsible marketing practices (greenwashing, false allegations, stigmatising communication, etc.) leading to a fall in revenue	- Communications to manage allegations - Raising customer awareness of the environmental characteristics of products, transparency on product manufacturing steps - Raising customer awareness of the societal causes defended by the brands - Customer satisfaction survey, training of sales teams
Privacy	Downstream value chain	Negative impact: invasion of privacy that could cause customers to be victims of malicious actions in the event of personal data leaks	- Regulatory risk: breach of personal data protection regulations in the event of a personal data leak - Reputational risk: loss of interest among customers for brands that do not secure their personal data, leading to a decrease in revenue	- Information Security Management System (ISMS) ISMS assessment campaign (tests, audit) - Compliance with the GDPR regulation and Personal Data Committee - Mandatory e-learning training and employee awareness
Health and safety related to product use	Downstream value chain	Negative impact: harm to the health or safety of customers due to the use of products that do not comply with the relevant standards (e.g. chemicals)	Non-material	Supplier specifications and product safety tests

Overall, the SMCP Group's brands target exacting, urban, modern customers in search of sophistication. They stand out for their ability to offer clothing and accessories that combine elegance, creativity and comfort, according to their own style, but always with a keen sense of fashion. The Group does not offer products for children. Details on the targets for each brand are available in Chapter 1, paragraph "1.2.1 Group brands and products".

As explained in paragraph "3.1.3.2 Interests and views of stakeholders (SBM-2)", customers are a central stakeholder in the Group's strategy. Their satisfaction and the response to their expectations are closely linked to the financial results of SMCP and

its brands. Customer satisfaction begins with offering a high level of service in stores and online both during and after the sale.

Brands must build a relationship of trust with their customers to establish a sustainable and flourishing business. To build this trust, SMCP must guarantee the safety of the products placed on the market, protect its customers' personal data and provide customer-friendly communications on the environmental or social characteristics of its products. These matters are governed by increasingly stringent regulations, putting the Group at risk in the event of non-compliance. Breaches in this area could also damage the image and reputation of the brands and result in a decline in revenue.

POLICIES (S4-1) AND OBJECTIVE (S4-5) FOR CONSUMERS

The Group does not have specific objectives for each topic developed in this section. The customer satisfaction rate measured through the Net Promoter Score (NPS) was selected as the metric best reflecting the effectiveness of the implemented policies. The objective is to achieve a score of 75/100 by 2025.

Customer experience

Employee expertise is the cornerstone of a personalised customer experience, and their in-depth knowledge of the products enables them to provide clear and relevant responses to customer queries. With generally only one size per product available on the shop floor, SMCP favours personalised advice over self-service, offering a shopping experience close to that of the luxury sector. Within each brand, dedicated people are responsible for leading this customer experience. Each collection launch is an opportunity to provide new training to advisors on the various protocols, each brand being responsible for the content of its training, the format and the information they wish to relay. In addition, in order to meet consumer expectations, store concepts are constantly evolving and adapting with the aim of offering an even higher quality customer experience (see Chapter 1, paragraph "1.2.8 A unique in-store customer experience");

Product health and safety

The Group's brands rely on a comprehensive system of audits and controls in order to be able to market products that comply with current health, safety and quality standards and regulations. For cut-and-sew products, all components are supplied by the brands. For finished products, the components are set by the brands and purchased by the suppliers. Shared standards for the brands are appended to their General Terms and Conditions of Sale (GTCS) which stipulate in particular that:

- products must meet all the regulatory chemical requirements of Regulation 2006/1907/EC of December 18, 2006, known as "REACH" (azo dyes, polycyclic aromatic hydrocarbons, etc.), and of the POP Regulation (EU Regulation 2019/1021 of June 20, 2019) on persistent organic pollutants, of the Regulation on biocides (EU Regulation no. 528/2012) and all those concerning materials of animal origin;
- the products must also meet the requirements of European, Chinese and American quality regulations;
- quality tests must be carried out by accredited laboratories;

Final inspections are required, carried out by independent service providers before the products are shipped. The choice of pieces to inspect is made on the basis of the quantities ordered, the complexity of the products, any customer returns and the results of the previous season's inspections.

Personal data protection

All information collected from customers by the Group and its brands is managed in accordance with the General Data Protection Regulation (GDPR). For more details, see chapter 1, Section "1.2.4.3 CRM and customer proximity", paragraph "1.7.3 Regulations on the protection of personal data" and chapter 2, paragraph "2.1.1 Cyberattacks and information system failures".

Marketing and communications

In accordance with the Anti-Waste for a Circular Economy Law (AGEC, February 2020), the Group undertakes to make information on the traceability of products available via its website and product labels. The information communicated to customers goes beyond what is set by the French regulatory framework (traceability of leather goods, all stages of production beyond weaving and secondary materials). In addition, all commercial and environmental claims are validated by the Group Regulatory Affairs and Compliance Manager, who is in charge of regulatory monitoring, training of the communications and marketing teams and ensuring that the information published by the brands is fair and not misleading to the consumer. For this reason, a best communications practices guide is shared with all brands and is updated as regulations are amended. It was last amended in 2024. An annual check of the claims published on the brands' websites is also carried out, following which corrective action plans are put in place where necessary. Best practices and errors to be corrected are shared with all brands.

Customers are made aware of the environmental impacts of fashion, and the products with the best environmental credentials are highlighted. Products containing more than 50% of certified materials can be identified by information on the labels or online sheets specifying the nature of the reduced environmental impacts compared to a non-certified material (no use of pesticides for organic cotton, protection of natural resources for recycled materials, etc.). This information is also relayed to the sales staff as part of the training materials produced for each collection. In addition, the Sandro, Maje, Claudie Pierlot and Fursac brands have developed maintenance guides distributed to customers in order to preserve product quality over time.

PROCESSES FOR ENGAGING WITH CONSUMERS AND PROCEDURES TO REMEDiate NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS TO RAISE CONCERNS (S4-2 AND S4-3)

The marketing and digital teams of each brand are responsible for communication and digital marketing to their customers. The Group has deployed Customer Relationship Management (CRM) tools allowing brands to launch targeted and personalised communications campaigns. Brands are aware of marketing pressure, and the majority of emails are sent to the most active customers of the brands, with the frequency adapted to customer loyalty. The most active customers are also rewarded with special offers.

The Group's brands carry out marketing studies as and when needed to ensure that they are meeting customer expectations. Sandro, Maje and Claudie Pierlot monitor several Net Promoter Score satisfaction metrics on a weekly basis, based on a key event in the customer experience (online purchase, store visit, contact with customer service, delivery). These metrics allow brands to identify problem areas and implement corrective actions quickly. The Net Promoter Score is a ratio ranging from -100 to 100 that measures how likely respondents are to recommend the service used to other people.

In addition, in order to guarantee a high-end experience for its customers when shopping online, the Group has set up a system of digital style advisors. Their aim is to support customers with their shopping and provide them with fashion advice without pressuring them to buy. The Group is currently deploying a clienteling app that will enable stores to communicate directly with their customers to offer them personalised offers and services such as sending product recommendations or making appointments for fitting sessions.

Lastly, since the relationship with customers does not stop at purchase, the Group's brands have set up after-sales service processes with online contact forms, a telephone line available on 6 of 7 days, as well as a WhatsApp chat service launched in 2024. The brands endeavour to respond to customer requests as quickly as possible with the aim of not exceeding the one-day deadline. The brands monitor the results of the post-contact customer service NPS on a daily basis in order to identify any niggling issues. Since 2024, the complaints management process has been updated in order to provide a better ticket allocation service and optimise both the time and the quality of the response given to customers. Mapping work was carried out between the issues reported by customers and the skills needed to process these requests, so that tickets are automatically allocated to the most competent people to process them. For upheld complaints, the Group and its brands take appropriate remedial action as set out by the General Terms and Conditions of Sale. In addition, the whistle-blowing system as presented in paragraph "3.4 Information on business conduct – [G1]" is also available to consumers. In the event of incidents or proven negative impacts, appropriate remedial actions would be put in place. To date, no incidents have been recorded.

ACTION AND RESOURCES RELATED TO MATERIAL IMPACTS ON CONSUMERS (S4-4)

Train employees to provide a personalised, premium customer experience

As explained in the paragraph "Talent development and employee skills management [S1-13]", retail staff are central to the Group's training policy, thereby ensuring that all store-based teams are ambassadors of brands' values and DNA. For example, at Sandro, through the "Sandro experience" programme, advisors are trained both in the brand's sales protocol and how to adapt it to the customer's specific requirements. The training programme covers in-store greeting, collections, products, product composition, product links, their environmental credentials as well as giving style advice.

Claudie Pierlot has provided retail employees with a summary card covering the essentials of the customer experience. It allows each staff member to assess if they have met the brand's expectations in terms of soft skills and know-how, and to review the e-learning modules available to personnel.

Training courses are also delivered on specific technical topics to promote each brand's know-how. For example, at Sandro Homme and Fursac, a training course dedicated to sartorial art, which means "tailoring", is delivered to store-based teams. It covers various topics such as: the best suit cuts according to the client's body type, different materials used, how to wear a suit and how to take care of a suit.

Facilitating access to fair and transparent information on products and their manufacturing processes

Since 2022, SMCP has been working with an external partner to increase the traceability of its products and communicate the information obtained to customers. Customers can scan a QR code on the product label and on the online product page to find out about the various manufacturing steps and find out about suppliers' social and environmental certifications. In addition to transparency, traceability makes it possible to better understand the social and environmental impacts and to implement appropriate policies. More details are available in paragraph "3.4.4 Traceability".

2024 was marked in particular by the extension of the traceability programme to the Fursac brand. From now on, all four brands trace their products using the same system and communicate the traceability information to their customers in France and in many other countries (Europe, North America).

In addition, in 2024, the Group's CSR Department took part in the various consultations organised by the public authorities to roll out an official environmental certification system for textile products in France. This initiative aims to provide consumers with consistent and standardised information to compare the environmental impact of different products.

Raising customer awareness of the environmental impacts of products and brand commitments

Simple and omnichannel communication about products and their impacts is at the heart of the brands' strategy.

In-store retail teams receive training throughout the year on CSR topics, so that they can disseminate brand messages to customers.

In the spring of 2024, Sandro reworked its CSR training in order to cover a greater number of subjects. The updated version includes procurement and production, understanding labels, product maintenance and second hand as well as the brand's commitments and causes.

At Maje, CSR awareness workshops were held for store managers. The programme includes an introduction to the carbon matters in the sector, an explanation of traceability and existing processes and a reminder of the brand's commitments.

At Claudie Pierlot, as part of the training programme for its summer 2024 and winter 2024 collections, a module was dedicated to the SKUs with the lowest environmental impact and a link to traceability training was included.

In addition to the maintenance guides and advice provided by salespeople at Maje and Sandro, eco-certified maintenance products are offered to customers who purchase certain pieces, so that they can take care of them.

The rollout of circular economy services (second-hand, repairs) has also provided the brands with an opportunity to reiterate the environmental credentials behind the implementation of these actions.

For online sales, in addition to the items available on the product sheets, specific information on items with lower environmental impact is shared with customers to raise awareness. For example, at Sandro, after a purchase of a product made from certified materials (organic cotton, recycled material, etc.), a dedicated newsletter is sent to the customer to inform them of this aspect and present the brand's commitments.

2024 was also characterised by the development of capsule collections in line with the brands' environmental commitments. Claudie Pierlot launched a capsule collection of sports pieces with Circle, a brand specialising in the design of technical pieces made with materials with a lower environmental impact. The pieces in this capsule were made from recycled polyamide (97%) or lyocell certified by independent labels, as part of a 100% European production.

In its rue de Richelieu flagship store, Fursac unveiled a selection of vintage pieces, distinguishable by their label stating "worn by time to complete your present-day Fursac wardrobe". The objective of this project was to show customers how well these second-hand clothes complement its collections.

Finally, all of the Group's brands have chosen a priority area of societal commitment this year in order to gain in impact and clarity for employees and customers. This decision was an opportunity to communicate to their customers about their respective commitments and the charity partnerships launched.

For example, Sandro used the European Heritage Days event to promote its "promoting equal opportunities and the transfer of savoir-faire in the fashion professions" initiative, and to highlight its partnership with the Maison Mode Méditerranée endowment fund, which supports and fashion and culture professionals through general interest projects. During this event, one euro was donated to the associations and organisations working for this cause for each item sold.

Maje has chosen to support female empowerment by partnering with the Rêv'Elles association, which works to inspire, support and motivate young women from lower-income neighbourhoods in their personal and professional development.

Fursac wanted to commit to "promoting reintegration through work", and has therefore renewed its commitment to the Force Femmes association, which supports unemployed women over the age of 45 to return to work. This community project ran from 4 to 10 November 2024 during which for any purchase in France, the brand donated five euros to the association.

Lastly, following a vote organised by employees, Claudie Pierlot has chosen to commit to "bringing joy to people affected by illness". A charity partnership reflecting this commitment will be signed in 2025.

METRICS RELATED TO CONSUMERS

GROUP WEIGHTED NPS

	2024	2025 TARGET
Group-weighted NPS	73	75

At the end of 2024, the aggregate NPS of the Group's Sandro (Europe scope), Maje and Claudie Pierlot (France scope) brands was 73/100, reflecting a high satisfaction rate. The aggregate NPS takes into account three metrics: post customer service contact, post in-store purchase and post digital purchase NPS.

3.4 Information on business conduct

The way in which the Group conducts its business from the ethical, social, environmental and societal perspective is essential to its success and sustainability, and a source of value creation. This requirement applies on a daily basis to business conduct, the conduct expected of employees but also relationships with suppliers, partners and stakeholders. The Group aims to act in compliance with the principles of the Universal Declaration of Human Rights and the European Convention on Human Rights, the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises, the United Nations Convention on the Rights of the Child, the United Nations Women's Empowerment Principles and the International Labour Organization (ILO) recommendations. On this basis, the Group has developed a global responsible policy which specifically covers ethics, respect for human rights and combating discrimination, corruption and influence peddling, which are key values and a major concern for SMCP.

In this context, the Group has implemented a whole system to ensure compliance with its values and to comply with international and national laws, such as the French Sapin II Law and equivalent laws in other countries. This compliance system includes in particular:

- the creation of an Ethics Committee (see Chapter 2, paragraph 2.5 "The risk management system");
- completing the corruption risk mapping to identify the risks of the Group's exposure to corruption and prioritise action plans (see Chapter 2, paragraph 2.1.4 "Financial risks");
- the implementation of a Code of Ethics and various resulting policies (see Chapter 1, paragraph 2.5 "The risk management system");
- the deployment of a Supplier Code of Conduct (see Chapter 1, paragraph 2.5 "The risk management system").

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO BUSINESS CONDUCT (IRO-1)

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Business ethics	Upstream value chain and own operations	• Negative impact: damage to the rule of law and increased inequalities due to corrupt practices	Regulatory risk: breach of anti-corruption regulations	• Implementation of a Code of Ethics, a policy for the prevention of corruption and conflicts of interest, a Gifts Policy and a Supplier Code of Conduct, a whistle-blowing system and training for employees the most exposed to such risks
Balanced relationships with suppliers and subcontractors	Upstream chain	• Negative impact: economic difficulties for suppliers and subcontractors in the event of abusive practices by the Group	Non-material	• Supplier Code of Conduct, implementation of General Purchasing Conditions, supplier assessment, employee training

Material ESG matters	Relevant scope	Impacts	Risks/opportunities	Impact, risk and opportunity management policies and actions
Cybersecurity and personal data protection	Own operations and downstream value chain	Negative impact: invasion of privacy that could lead to malicious actions in the event of leaks of customer or employee personal data	- Operational risks: disruption of information systems in the event of cyberattacks leading to additional costs to restore a normal situation, and a fall in revenue in the event of impacts on ordering or collection systems - Regulatory risk: breach of personal data protection regulations - Reputational risk: customer disaffection for brands that do not secure their personal data, leading to a fall in revenue	Information security management system ("ISMS"), employee awareness and training programmes on IT risks, network and application security tests, signing of a mandatory security assurance plan for all contracts
Animal welfare	Upstream chain	Negative impact: animal suffering during breeding or slaughter linked to materials used in the Group's collections (wool, leather)	Non-material	- Ban on many animal materials (furs, feathers, down, leather from exotic species) - Use of RWS certification for wool
Traceability	Upstream chain	Negative impact: damage caused to the environment and/or human rights infringement of the Group's direct and indirect suppliers due to a lack of knowledge of the parties involved in the various stages of product manufacturing	Regulatory risk: inability to comply with regulations requiring knowledge of all product manufacturing steps (e.g. deforestation, due diligence, AGECLaw)	Deployment of a traceability tool by all brands to map all stages of manufacturing back to the raw material

3.4.1 Corporate culture and business conduct policies (G1-1), and prevention and detection of corruption and bribery (G1-3)

BUSINESS CONDUCT POLICIES (G1-1) AND PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY (G1-3)

In order to ensure ethical and responsible business conduct, the Group has adopted, on the proposal of its Ethics Committee, clear principles and rules to be followed by its employees as well as all stakeholders involved in the Group's actions.

In addition, corruption risks have been mapped under the supervision of the Ethics Committee. The corruption risks and influence peddling associated with these potential corruption situations were identified and prioritised in a risk map, the results and action plans of which were presented to General Management and the Board of Directors' Audit Committee in July 2022. As part of the update of its corruption risk map in 2025, the Group plans to identify, update, assess and prioritise the corruption risks to which it is exposed. This task will be carried out with the Group's management bodies and all persons identified as being the most exposed to corruption risks.

The principles underlying the Group's policies on business conduct and the prevention and detection of corruption and bribery are set out in the following documents, which are available in French, English and Chinese:

- a Code of Ethics for employees to provide them with a framework for the performance of their duties, including information on the fight against fraud (prevention of corruption and influence peddling, managing conflicts of interest and preventing risks related to money laundering), the prevention of insider trading, the fight against all forms of discrimination, social and environmental responsibility and the whistle-blowing system;
- a Policy for the Prevention of Corruption and Conflicts of Interest, which defines and illustrates the different types of conduct to be prohibited as they are likely to constitute acts of corruption or influence peddling. The policy also covers donations and philanthropic activities and outlines the Group's Gifts and Hospitality policy;
- a Gifts and Hospitality Policy, which illustrates in more detail the rules applicable in this area and provides the applicable procedure for declaring them in the register monitored by the Ethics Committee;
- an internal whistle-blowing policy to oversee the reports received and protect whistle-blowers, as detailed below in the paragraph "Actions and resources related to business conduct and prevention and detection of corruption and bribery";
- a Supplier Code of Conduct, which sets out the Group's fundamental values in terms of ethics, social and societal responsibility and environmental protection, to ensure that suppliers and their subcontractors share the principles of exemplarity (see Chapter 2, paragraph "2.5 The risk management system"). All of the Group's tier-1 suppliers must sign the Supplier Code of Conduct, or demonstrate that they have at least equivalent commitments.

These documents are reviewed by the Ethics Committee as soon as the corruption risk map is updated. The other documents are disseminated to all employees worldwide, whether they are in the warehouse, in a head office or in-store, and to new employees upon their arrival within the Group, and are available on the SMCP intranet shared by all of the entities. Apart from the Gifts and Hospitality Policy, which is only available internally, all of the above ethics policies are also available on the Group's website at <https://www.smcp.com/fr/homepage/rse/documents-ethique-rse/>. Each brand's management team is made aware of the importance of adopting this shared foundation and making its principles a reality for each of its employees.

Failure to comply with the rules and principles set out in the Group's ethics policies constitutes a serious breach and may, depending on the circumstances, result in disciplinary measures, sanctions up to and including the termination of the employment contract for an employee or for a supplier) in accordance with the provisions of the relevant policy, the Group's internal rules (or any equivalent document), or applicable laws and regulations. As soon as a report is received, it is analysed to determine whether it actually violates the Group's rules and ethical principles. If the report is confirmed, the Ethics Committee will start its investigation phase. At the end of this period, it will determine the measures to be taken according to the breach.

The SMCP Group prohibits any political position on behalf of the company and does not incur any lobbying expenses (G1-5).

Preventing the risk of corruption

The Group attaches great importance to the values of integrity, honesty and loyalty and respect for healthy competition in the development of its business activities. In particular, SMCP and its brands adopt a zero tolerance approach to any form of corruption or influence peddling, both within the Group and through the acts of its suppliers, partners or any of its stakeholders.

The Policy for the Prevention of Corruption and Conflicts of Interest defines and illustrates the different types of conduct to be prohibited as they are likely to consist of corruption or influence peddling. It has been put in place to enable employees to familiarise themselves with the basic principles of anti-corruption legislation, and to take ownership of the necessary procedures and the behaviours to adopt in order to comply with them. It includes an explanation of what constitutes an act of corruption or a conflict of interest, examples of risky situations that may constitute an act of corruption or a conflict of interest, recommendations on managing these risky situations and on the best practices to be adopted and the description of the whistle-blowing system that can be used to report facts identified as being in breach of policy content. The Group is committed to promoting the principles set out in this Policy in its relations with its direct and indirect suppliers, who must comply with it or apply professional and ethical standards at least equivalent to them.

Cybersecurity and personal data

Cybersecurity and data protection information is presented in chapter 2, paragraph "2.1.1 Risks related to the Group's operations".

Respect for animal welfare and protection of endangered species

The Group and its brands have been committed to animal welfare for several seasons: the four brands stopped using fur in 2020 and animal feathers and down in 2023.

Each year, SMCP increases the use of wool that guarantees breeding practices that respect animal welfare (Responsible Wool Standard, organic and recycled certifications). In 2024, the percentage of certified wool reached 59%. In addition, none of the Group's brands use leather from exotic animals (pythons, water snakes, crocodiles, etc.) or test on animals (which is rare in the textiles industry). This commitment is also shared with suppliers, in particular via the Supplier Code of Conduct and the General Purchasing Conditions.

The SMCP group expects all its suppliers to apply best practices in terms of animal welfare, and to comply with the regulations in force in this area. This commitment applies to all stages of production that may be affected by the subject of animal welfare: breeding, care, transport and slaughterhouse.

ACTIONS AND RESOURCES RELATED TO BUSINESS CONDUCT AND THE PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Corruption risk map and strengthening of internal control systems

The corruption risk map (see Chapter 2, paragraph "2.1.4 Financial risks") will be updated in 2025.

In addition, the Audit and Internal Control Department ensures proper compliance with key controls and management procedures. In 2023, it strengthened the Internal Control Essentials ("ICE") internal control standards by adding anti-corruption accounting controls. These controls cover all of the Group's business activities in all the regions in which it operates. These new control points were assessed for the first time in 2023, and the results of these audits were shared with the Audit Committee in February 2024. In addition, compliance checks on certain points of the anti-corruption programme are also carried out during operational audits to ensure the proper implementation of the compliance system.

Employee training

The Group has rolled out a mandatory anti-corruption e-learning training programme for all its employees worldwide, and provides face-to-face training at least once a year for its employees most

exposed to corruption risks given their hierarchical position, their mission or their direct relationship with third parties. In 2024, in line with these actions, the members of the Group Management Committee, the Brand Management Committees and the production teams in contact with suppliers received face-to-face training on corruption risks by one of the members of the Ethics Committee. As a result, 100% of the most exposed functions identified by the 2022 mapping received training in 2024. Where necessary (changes in regulations or mapping), the Group changes its training offer in this area in order to guarantee the highest possible level of integrity.

Whistle-blowing system

The Group has set up a whistle-blowing system which is open to all employees, so that they can report facts that, in their opinion, appear not to comply with the Group's ethical rules, or facts that are likely to seriously affect SMCP's business, create a significant liability and/or in the event of a breach of the fundamental principles described in its ethics documents. This includes situations of harassment, discrimination, corruption or fraud. The system stipulates that reports may be sent to the e-mail address ethics@smcp.com, and that they will be treated with the required confidentiality, independence and seriousness.

The use of this system is optional, and employees who witness such a situation may also report it to their line manager, Human Resources Department, employee representatives, the Legal Department or to the Internal Audit Department. All reports are tracked in a dedicated register which formalises the risk analysis and the action plans undertaken.

In North America, in addition to the system described above, employees can report any incidents that do not comply with ethical rules (including violations of the law, situations of harassment or discrimination) to an external service provider by telephone, SMS or via an online form.

The SMCP whistle-blowing system is open to all stakeholders and is advertised on the Group's website and in the Supplier Code of Conduct.

Whatever the means used, the whistle-blower's privacy is respected, and where possible, particular attention is paid to ensuring that the factual information provided is sufficiently general not to allow them to be identified. Even if the facts prove to be inaccurate or do not give rise to any follow-up, the use of the system does not in any way expose the whistle-blower to any disciplinary sanction.

The Ethics Committee is responsible for collecting and processing reports. In 2024, the Ethics Committee received four reports via the Group's whistleblowing system. These reports are dealt with anonymously and confidentially. Of these four reports, two related to harassment allegations, and resulted in an investigation under the responsibility of the Ethics Committee. Following these investigations, neither of the two cases were found to be harassment. As of the date of this universal registration document, the four reports have been closed. The whistle-blowers were informed of the outcome of their report. Any observed breaches led to appropriate corrective actions.

METRICS RELATED TO CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY

TRAINING FOR AT-RISK FUNCTIONS (G1-3)

	2024
Percentage of at-risk functions covered by training programmes	100%

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY (G1-4)

	2023	2024
Number of convictions and amount of fines for breaches of anti-corruption legislation and acts of corruption	0	0
Amount of fines for breaches of anti-corruption legislation and acts of corruption	0	0

3.4.2 Management of relationships with suppliers (G1-2)

POLICY ON MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

The SMCP Group and its brands have always sought to build long-term relationships with their partners (including its distributors, manufacturers and, more generally, all of its commercial partners). These relationships must be based on mutual respect and shared values. They are expected to be fully in line with the Group's fundamental values in terms of ethics, social responsibility and environmental protection. SMCP thus requires its suppliers and their subcontractors to behave in an exemplary manner on the subject of forced labour, child labour, illegal, clandestine or undeclared labour, working conditions, harassment, abusive or inhuman treatment, discrimination and corruption. These values are formalised in the Supplier Code of Conduct. The recognition of these requirements and the commitment to comply with these rules are mandatory prerequisites before starting any business relationship with a Group company. To date, all production suppliers with which the brands have a direct contract have signed this document.

The Group is a signatory of the United Nations Global Compact, and takes care to ensure that its suppliers comply with labour laws, applicable social protection laws, as well as applicable social and environmental standards. In addition to its Supplier Code of Conduct, SMCP has formalised its requirements vis-à-vis its suppliers through its General Purchasing Conditions. By signing these documents, suppliers undertake to comply with, and to ensure that their suppliers and subcontractors comply with all the clauses of these documents.

The Group conducts social audits of its production suppliers through an independent expert. The practical aspects of these audits are described in paragraph "3.3.2. Workers in the value chain [S2]". These audits make it possible to assess the level of risk of suppliers on social, environmental, health and safety issues, but also to define any corrective actions and thus implement the necessary action plans.

Any incidents of non-compliance with the Supplier Code of Conduct are referred to the Ethics Committee. The Committee proposes the corrective measures to be put in place, which, depending on the seriousness of the identified breaches, may go as far as the immediate termination of the business relationship with the supplier in question. In general, SMCP ensures that it provides support and advice to all suppliers to improve their practices (see paragraph "3.3.2. Workers in the value chain [S2]").

In addition, the Group has rolled out an "indirect purchasing" policy in response to its strong desire to secure its relations with its suppliers during the various phases of selection, commitment and monitoring. This ensures that the selected suppliers are reliable, that they comply with all applicable laws and regulations as described in the Supplier Code of Conduct, and that they have benefited from fair and transparent business opportunities, to guarantee performance and safety for all. All purchases managed by the Group's Indirect Purchasing Department (including purchases of energy, lighting, furniture, packaging and store consumables) include CSR criteria in the tender specifications, and therefore in their award criteria.

ACTIONS AND RESOURCES RELATED TO MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Supplier assessment

A risk map of the Group's suppliers was created, which allowed it to identify the risks in its value chain and to rank the categories of suppliers according to their level of risk (high/medium/low).

Employee training

An Indirect Purchasing e-learning course, created and rolled out in 2022, is mandatory for all employees. This module enables everyone to familiarise themselves with the rules and best practices established by the Group. It covers the various stages of the Purchasing procedure and in particular the rules to be followed when launching a call for tenders.

Training on best practices in terms of contracts was provided to all employees in France involved in the selection of suppliers and the negotiation and validation of the Group's commercial relationships and brands. It aims in particular to familiarise its participants with the essential elements of a contract, to clarify the role of each party during the commercial relationship (which extends from the selection of the supplier to the end of the contract) and to know and apply the contracting procedures (including those applicable to the approval and signing of contracts). A similar training course will be implemented in the North America and APAC regions in 2025.

In 2024, training was provided specifically to the brands' production teams in order to review all the rules and best practices in the context of business relationships with suppliers and/or production intermediaries.

METRICS RELATED TO MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

G1-6 – Payment practices (G1-6)

All SMCP purchases (France and Europe) are payable within 45 days end of month from the invoice issue date, unless otherwise agreed between the parties (which may not exceed 60 days from the invoice date or any other provision applicable to a specific business sector). These payment terms do not apply to orders relating to the transport sector, for which the payment terms are 30 days from the date of issue of the invoice. North America has a 30-day payment policy unless otherwise agreed between the parties. In the APAC region, payment to suppliers is made according to the contractual provisions in place. Information relating to supplier and customer payment terms is available, in accordance with Articles L. 441-6-1, D. 441-1 and D. 441-4 of the French Commercial Code, in Chapter 6, Note 6.1.2, paragraph "6.14 Trade and other payables".

For all Group companies as of December 31, 2024, 62% of trade payables (excluding suppliers of non-current assets and supplier invoices not received) were not past due and only 7% were past due for more than 31 days. The amount of past-due payables fell by 37% compared to 2023.

Currently, the Group is not able to calculate the average actual payment period for invoices, but is putting in place an action plan to be able to communicate it by 2026. There are no legal proceedings for late payment to be reported.

3.4.3 Traceability

TRACEABILITY POLICIES AND OBJECTIVES

Traceability is one of the cornerstones of the SMCP Group's CSR strategy. It is a tool for the various Group policies.

With regard to the social risk management policy, traceability allows the Group to have a better understanding of its value chain and in particular to know the factories in charge of the various manufacturing stages of the products marketed by its brands.

From an environmental point of view, identifying the geographical areas of production of raw materials, their processing (spinning, weaving, dyeing, washing, making and tannery) and manufacture, as well as the identity of suppliers and manufacturers and their CSR performance, enables a better assessment of social and environmental impacts and the implementation of targeted action plans.

To do this, a partnership has been in place since 2022 with an external third party, responsible for tracking the journey of parts sold by SMCP brands and collecting the certifications available to suppliers at each stage (social audits, safety and environmental certifications).

The information collected is communicated to customers via QR codes on product labels or online.

The traceability targets are as follows:

- by 2027, cover at least the spinning stage for all ready-to-wear products and the tannery stage for all footwear SKUs;
- by 2030, identify all stages of production up to the countries of production of the main raw materials used by the Group's brands (cotton, viscose, wool, polyester, leather).

ACTIONS AND RESOURCES RELATED TO TRACEABILITY

The traceability programme underwent new developments in 2024, with the launch of the programme at Fursac and the achievement of a rate of 65% of SKUs for which traceability has gone beyond the regulatory framework of the AGECE⁽¹⁾ Law in France. Moreover, 100% of the SKUs in the Summer 24 and Winter 24 collections complied with this regulation.

SMCP also voluntarily includes product categories not subject to the AGECE regulation in its traceability programme (handbags, leather goods, jewellery, etc.).

Change in the percentage of SKUs for which traceability exceeds regulatory requirements

Change in the percentage of SKUs for which traceability exceeds regulatory requirements



The Group's audit resources were strengthened during the year with the launch of the first laboratory isotope tests with a specialised company to verify the geographical area of cotton production declared by suppliers.

METRICS RELATED TO TRACEABILITY

65% of the SKUs concerned by the AGECE Law are covered by a traceability analysis reaching at least the spinning stage for ready-to-wear or tannery for footwear, an increase of 15 points compared to 2023.

⁽¹⁾ Decree No. 2022-748 of April 29, 2022, which implements Article 13 I of the AGECE Law, the Anti-waste Law for a Circular Economy dated February 11, 2020, setting out mandatory disclosure of the countries in which the last three manufacturing steps have been carried out (weaving, dyeing, assembly/finishing) for textile products. For footwear, the information to be disclosed covers the stitching, assembly and finishing steps.

3.5 Appendices

3.5.1 Methodological note on data reporting

3.5.1.1 REPORTING PERIOD

This sustainability report covers the period from January 1 to December 31, 2024.

3.5.1.2 REPORTING SCOPE

Metrics were collected, calculated and consolidated based on data available internally and extracted from IT tools. The data presented are aimed at covering all activities and all host countries of SMCP and its brands.

This scope of activities is identical to that of the consolidated financial statements. The detailed list of the companies covered by the scope of consolidation is available in Chapter 6 "Financial statements" of the 2024 universal registration document, under paragraph 8.4 "Scope of consolidation" of the Notes to the consolidated financial statements.

When metrics do not cover the entire scope, the excluded entities, categories or geographical areas are specified in the sections below.

3.5.1.3 ENVIRONMENTAL METRICS

E1 – Climate change

Calculating GHG emissions

For Scope 1, SMCP does not emit greenhouse gases related to the combustion or biodegradation of biomass. The Group's Scope 1 is divided into three categories: GHG emissions from stationary combustion (consumption of gas for heating), GHG emissions from mobile combustion (fuel for company vehicles) and fugitive GHG emissions (refrigerant leaks from air conditioning systems).

The Group has no GHG emissions related to processes. All GHG emissions related to the manufacture of products are calculated in Scope 3 according to the GHG Protocol methodology.

For Scope 2, the Group does not consume steam or energy through heating or cooling networks. Reported emissions represent the electricity consumption of all SMCP buildings. In addition, SMCP does not emit greenhouse gases related to the combustion or biodegradation of biomass.

The methodology used by the Group to measure its carbon footprint is based on the recommendations of the GHG Protocol and also calculates the two categories classified as optional by the SBTi: visitor travel and product use.

Emissions are reported using the following location-based and market-based methods from the GHG Protocol.

The market-based method counts energy from renewable sources purchased using the supplier-specific emissions factor for Scope 2 emissions, demonstrating efforts to supply energy from renewable sources.

The location-based method uses national average emission factors.

The carbon footprint is based on a time period one calendar year, *i.e.* from January 1 to December 31 of the year in question.

The sources of the emission factors used by the Group are the footprint database, the European EF 3.1 database, the Agribalyse database and the International Energy Agency (IEA)'s energy data.

Calculation of Scope 1 is based on the collection of data on gas consumption, company car fuels and refrigerant leaks in all of the Group's air conditioning units.

Calculation of Scope 2 is based on the collection of electricity consumption data for all Group buildings. Therefore, all stores, warehouses and head offices operated by the Group are included. Stores that are open or closed during the year are recorded for the period during which they were open. For buildings for which the electricity consumption is unknown, estimates are based on the average consumption in kWh/square metre of the country during the reporting year.

The calculation of Scope 3 is based on the collection of data from production, logistics, traceability and accounting balance software for the category "3.1 Purchases of goods and services". All calculations related to the purchase of goods are based on physical data: production sites, product weights, production volume, the composition of each product, the energy source used by suppliers when it is known and the annual quantity of packaging produced for all of the Group's products. All calculations related to the purchase of services are based on monetary ratios.

The calculation of the category 3.2 "Fixed assets" is carried out using maintenance data collection and is calculated using monetary ratios.

The category 3.3 "Energy activities (not included in Scope 2)" follows the principles for collecting data on the Group's Scope 2 electricity consumption.

The category 3.4 "Upstream transportation and distribution" is measured annually using data provided by the carriers with which the Group works. The calculation is then made using a CO₂e/t.km ratio for goods transported.

The category 3.5 “Waste produced during operations” takes into account three types of waste. First, packaging waste for which the Group’s assumption is to calculate all packaging produced during the year as waste. The data collected is therefore the same as that of category 3.1. Second, production waste is calculated using information provided by suppliers on average manufacturing losses. Finally, information on daily waste from head offices and warehouses is obtained using reporting from sorting and recycling service providers. In this category, only daily waste from stores is not included, since the Group believes that a significant portion of this waste is already included in packaging waste.

Category 3.6 “Business travel” measures emissions related to transport for business trips taken during the year, using annual reporting from the service provider in charge of business travel for all Group employees.

Category 3.7 “Employee commuting” is calculated using an internal questionnaire on employees’ work travel habits. This questionnaire is sent to all employees every three years.

Category 3.8 is not applicable to SMCP’s business activity.

Category 3.9 measures emissions related to the travel of visitors in SMCP stores, and is based on studies by region to determine transport habits in the cities in which SMCP stores are located. This information is weighted by information on store footfall, which is collected using each brand’s commercial software.

Category 3.10 is not applicable to SMCP’s business activity.

Category 3.11 assesses emissions related to the use of products. This is an optional category for SMCP. It is calculated using production volumes by product category and extrapolations based on studies on wearing and care habits for textile clothing products.

Category 3.12 “End of product life” shows SMCP’s annual production volume, which is calculated using Refashion’s study on the end of life of textile products, landfill, incineration and recycling and reuse of products.

Categories 3.13, 3.14 and 3.15 do not apply to SMCP’s business activity.

The Absolute Contraction Approach was used for the Energy & Industry (E&I) targets for Scopes 1 & 2 as well as Scope 3. This meets the SBTi Corporate Near-Term criteria (paragraph 5.2). The carbon targets take into account all emissions from Scopes 1 and 2 and more than 63% of Scope 3. The Group’s carbon footprint was calculated according to the rules of the GHG Protocol, and only overlooks 3.32% of Scope 3 for the Group’s carbon footprint, which is below the 5% limit set by the SBTi Corporate Near-Term Criteria. The overlooked categories are activities for which the Group has no information and no decision-making power, such as electricity

consumption in partner warehouses. Emission factors are taken from EF 3.1, Ademe and the International Energy Agency.

Concerning the FLAG trajectory, the SBTi Forest, Land and Agriculture (FLAG) methodology is used, which is also the Absolute Contraction Approach. The Group calculated a FLAG trajectory solely based on the reduction of emissions, and did not take into account any carbon offsetting or sequestration measures. The emission factors are taken from the EF 3.1 database for the Land Management calculation and Agribalyse for the Land Use Change calculation.

Electricity consumption of SMCP sites

- In Europe: the electricity consumption of European stores and head offices is based on the monthly consumption figures provided by electricity suppliers in each country. The electricity consumption of the warehouses was collected in an annual report sent by the electricity supplier. The electricity consumption calculated using the information collected covers 94% of the sites’ surface area in square metres. The consumption of the remaining stores was estimated on the basis of surface area consumption ratios (kWh/m²) determined from the consumption of the stores for which actual data are available.
- In North America: the electricity consumption of stores and head offices is based on the monthly consumption figures provided by electricity suppliers in each country. The electricity consumption calculated using the information collected covers 49% of the sites’ surface area in square metres. The consumption of the remaining stores was estimated on the basis of surface area consumption ratios (kWh/m²) determined from the consumption of the stores for which actual data are available.
- In the APAC region: the electricity consumption of stores and head offices in Asia is based on a kWh per RMB spent ratio based on monthly invoices. As the stores are in shopping centres, electricity consumption is included in the expenses of each store’s landlord. The electricity consumption calculated using the information collected covers 83% of the sites’ surface area in square metres. The consumption of the remaining stores was estimated on the basis of surface area consumption ratios (kWh/m²) determined from the consumption of the stores for which actual data are available.

E2 – Pollution

Microplastics emissions

Emissions of microplastics related to the manufacture and washing of products are assessed on the basis of the work of the Plastic Footprint Network, which provides estimates of microplastic release by manufacturing stage and by wash cycle for synthetic garments.

E3 – Water resources

Water consumption related to the manufacture of products sold

Reporting measures the consumption of "blue water", which is the proportion of water from atmospheric precipitation that flows in watercourses to the sea, or that is collected in lakes, aquifers or reservoirs.

Water consumption related to the production and processing steps of raw materials is estimated on the basis of data provided by the Water Footprint Network. Some data come from studies carried out by suppliers (e.g. Lenzing) or by the Leather Working Group for leather tanning.

The Group's water footprint focuses on the production of the brands' clothing and accessories. The footprint is divided into two categories: water consumption of raw materials and water consumption of manufacturing steps with a wet process (dyeing and pre-processing steps). For these two categories, calculations are based on the mass of materials used multiplied by water consumption factors from scientific studies.

E4 – Biodiversity and ecosystems

Surface area used for the production of natural materials

The agricultural surface area used for the Group's supplies of natural materials (plant, animal, artificial fibres and leather) is calculated on the basis of the Group's business data (same activity data as for the carbon footprint) and the use of impact factors on land use. The factors used are those in the European EF 3.1 database.

E5 – Resource use and circular economy

The data is derived from the Group-level consolidation of information extracted from our IT tools in connection with production activities. The indicators on the quantities of materials relate to the 2024 calendar year (products delivered between January 1 and December 31, 2024). Material losses occurring during the various stages of product manufacturing are taken into account based on average sectoral data. The indicators for SKUs (% of collections with the lowest environmental impact) correspond to the summer and winter 2024 seasons.

3.5.1.4 SOCIAL METRICS

S1 – Company personnel

Personnel

The data are based on the Group-level consolidation of information extracted from our HRIS IT tools and concern a World scope. Information on the workforce in Australia and New Zealand, having joined the Group in 2023, is reported directly to the Group by the local teams.

Personnel turnover rate

The personnel turnover rate is calculated by taking into account the number of departures during the year compared to the average number of employees.

Disability

The methodology used to calculate the percentage of people with disabilities in France is the following ratio: ratio of beneficiaries of the obligation to employ people with disabilities (BOETH) in the annual average total FTE workforce for 2024.

According to the definition of BOETH in the French Disability Law, all the contracts of employees with valid recognition of a disability in 2024 and present in the workforce between January 1, 2024 and December 31, 2024 were taken into consideration, in proportion to their working time, their age, the length of their contract and the validity dates of their disability recognition. The notion of full-time equivalent (FTE) corresponds to a role carried out on a full-time basis, i.e. up to the statutory duration during a full year. Thus, for part-time employees, or employees working for only part of the year, compensation was simulated on a full-time basis. FTEs were calculated per month, and then an average was calculated using all the months of 2024.

Pay

The methodology used to calculate the total annual compensation ratio is as follows:

- all the contracts of employees employed as of December 31, 2024 were taken into account;
- according to the INSEE definition, the median wage is the wage that divides the employees of the company into two equal parts, based on which half of the employees of the company in question earn less and the other half earn more;
- as for the gender pay ratio, certain exclusions were applied. Indeed, the information system used does not allow the Group to extract compensation data for certain countries, which are not yet included in the tool or which have been consolidated during the year, therefore not allowing for an annual analysis. SMCP aims to cover 100% of the workforce over the next five years, either in the tool or *via* another system. These exclusions represent 3.5% of the total workforce;
- the compensation takes into account the fixed compensation, the variable compensation, bonuses, benefits in kind, health and personal protection benefits, free performance shares valued according to their IFRS value, as well as salary saving through profit-sharing and incentive schemes.

Average number of training hours

The average number of training sessions was calculated as the ratio of the total number of training hours delivered to the total number of people who took at least one training course.

The total number of training hours corresponds to the sum of the training hours completed in person or virtually, and the total number of e-learning training hours completed.

The total number of e-learning training hours completed has been corrected: all training session exceeding three hours have been removed from the reporting, because, in view of the catalogue of training courses offered, these periods are considered to be erroneous and could have led to an overestimation of the volume.

S2 – Workers in the value chain

Social audits

The metrics presented cover the Group's four brands.

The first metric measures the share of plants with which the Group's brands have collaborated for the production of the S24 and W24 collections that are covered by a valid social audit.

For a social audit to be considered valid, it must cover the production period and be part of the list of standards recognised by the Group.

The second metric shows the breakdown of supplier social audit ratings into five levels. It expresses the weight of each rating in the total valid audits. When a plant is covered by several valid audits, the lowest score is taken into account to establish this metric.

S4 – Consumers

Weighted Net Promoter Score

The Group's weighted Net Promoter Score (NPS) is calculated as follows:

- the weighted NPS of each brand is calculated by calculating the weighted average of the post customer service contact, post in-store purchase and post digital purchase NPS;
- these results are then consolidated into a weighted average according to the total weight of respondents of each brand in the total number of respondents.

3.5.1.5 GOVERNANCE METRICS

G1 – Traceability

The metrics presented in this section relate to the Sandro, Maje, Claudie Pierlot and Fursac brand SKUs.

The first metric corresponds to the SKUs covered by the AGECE Law, which are aligned with this regulation. Please note that since January 2023, brands must provide consumers with information on the location of the main manufacturing steps (weaving, dyeing and garment making). This obligation covers the main material of ready-to-wear products (excluding leather) and footwear.

The second metric highlights the number of SKUs covered by the AGECE Law for which the traceability analysis has reached at least the spinning stages for ready-to-wear and tannery for footwear. This metric reflects traceability that goes beyond the regulatory requirements of the AGECE Law.

These metrics are calculated on the basis of extracts from the traceability solution used by the Group.

3.5.2 Disclosure Requirements in ESRS covered by the undertaking's sustainability report (IRO-2)

Due to the double materiality results, the topics included in the sustainability report are:

ESRS	Disclosure Requirement	Pages
ESRS 2	BP-1 – General basis for preparation of the sustainability report	66
ESRS 2	BP-2 – Disclosures in relation to specific circumstances	66-67
ESRS 2	GOV-1 – The role of the administrative, management and supervisory bodies	69-70
ESRS 2	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	70
ESRS 2	GOV-3 – Integration of sustainability-related performance in incentive schemes	70-71
ESRS 2	GOV-4 – Statement on due vigilance	71
ESRS 2	GOV-5 – Risk management and internal controls in relation to sustainability reporting	72
ESRS 2	SBM-1 – Strategy, business model and value chain	4, 73-74
ESRS 2	SBM-2 – Interests and views of stakeholders	77-78
ESRS E1	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	78-82
ESRS E1	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	83-95
ESRS E1	IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability report	96,162-164
ESRS E1	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	70-71
ESRS E1	E1-1 – Transition plan for climate change mitigation	98-101
ESRS E1	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	78-79
ESRS E1	ESRS 2 IRO-1 – Description of processes to identify and assess significant impacts, risks and opportunities related to climate change	85-87
ESRS E1	E1-2 – Policies related to climate change mitigation and adaptation	98-101
ESRS E1	E1-3 – Actions and resources in relation to climate change policies	101-103
ESRS E1	E1-4 – Targets related to climate change mitigation and adaptation	98-101
ESRS E1	E1-5 – Energy consumption and mix	103
ESRS E1	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	104
ESRS E1	E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	Not applicable
ESRS E1	E1-8 – Internal carbon pricing	Not applicable
ESRS E1	ESRS E1-9 – Degree of exposure of the portfolio to climate-related opportunities	Not applicable in 2024
ESRS E2	ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	87
ESRS E2	E2-1 – Policies related to pollution	106
ESRS E2	E2-2 – Actions and resources related to pollution	106
ESRS E2	E2-3 – Targets related to pollution	106
ESRS E2	E2-4 – Pollution of air, water and soil	106
ESRS E2	E2-5 – Substances of concern and substances of very high concern	106
ESRS E2	E2-6 – Anticipated financial effects from pollution-related risks and opportunities	Not applicable in 2024
ESRS E3	ESRS 2 IRO-1 – Description of the procedures to identify and assess significant water and marine resources-related impacts, risks and opportunities	89
ESRS E3	E3-1 – Policies related to water and marine resources	107
ESRS E3	E3-2 – Actions and resources related to water and marine resources	108

ESRS	Disclosure Requirement	Pages
ESRS E3	E3-3 – Targets related to water and marine resources	107
ESRS E3	E3-4 – Water consumption	108
ESRS E3	E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Not applicable in 2024
ESRS E4	E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	109-111
ESRS E4	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	79,109
ESRS E4	ESRS 2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	89-93
ESRS E4	E4-2 – Policies related to biodiversity and ecosystems	109-111
ESRS E4	E4-4 – Targets related to biodiversity and ecosystems	109-111
ESRS E4	E4-5 – Impact metrics related to biodiversity and ecosystems change	112
ESRS E4	E4-6 – Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	Not applicable in 2024
ESRS E5	ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	93-94
ESRS E5	E5-1 – Policies related to resource use and circular economy	114
ESRS E5	E5-2 – Actions and resources related to resource use and circular economy	115-116
ESRS E5	E5-3 – Targets related to resource use and circular economy	114
ESRS E5	E5-4 – Resource inflows	116
ESRS E5	E5-5 – Resource outflows	117
ESRS E5	E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Not applicable in 2024
ESRS S1	ESRS 2 SBM-2 – Interests and views of stakeholders	77-78
ESRS S1	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	80-82, 126
ESRS S1	S1-1 – Policies related to Company personnel	126-129
ESRS S1	S1-2 – Processes for engaging with Company personnel and their representatives about impacts	129
ESRS S1	S1-3 – Processes to remediate negative impacts and channels for Company personnel to raise concerns	129
ESRS S1	S1-4 – Taking action on material impacts on Company personnel, and approaches to managing material risks and pursuing material opportunities related to Company personnel, and effectiveness of those actions	126-142
ESRS S1	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	126-142
ESRS S1	S1-6 – Characteristics of the undertaking's employees	130-132
ESRS S1	S1-7 – Characteristics of non-employees in Company personnel	132
ESRS S1	S1-8 – Collective bargaining coverage and social dialogue	133
ESRS S1	S1-9 – Diversity metrics	135
ESRS S1	S1-10 – Adequate wages	136
ESRS S1	S1-11 – Social protection	137
ESRS S1	S1-12 – Persons with disabilities	135
ESRS S1	S1-13 – Training and skills development metrics	140-141
ESRS S1	S1-14 – Health and safety metrics	142
ESRS S1	S1-15 – Work-life balance metrics	142
ESRS S1	S1-16 – Remuneration metrics (pay gap and total remuneration)	137
ESRS S1	S1-17 – Incidents, complaints and severe human rights impacts	129
ESRS S2	ESRS 2 SBM-2 – Interests and views of stakeholders	77-78

ESRS	Disclosure Requirement	Pages
ESRS S2	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	81, 143
ESRS S2	S2-1 – Policies related to value chain workers	144
ESRS S2	S2-2 – Processes for engaging with value chain workers about impacts	144
ESRS S2	S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	144
ESRS S2	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	145
ESRS S2	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	144,145
ESRS S3	ESRS 2 SBM-2 – Interests and views of stakeholders	Non-material
ESRS S3	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Non-material
ESRS S3	S3-1 – Policies related to affected communities	Non-material
ESRS S3	S3-2 – Processes for engaging with affected communities about impacts	Non-material
ESRS S3	S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns	Non-material
ESRS S3	S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Non-material
ESRS S3	S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Non-material
ESRS S4	ESRS 2 SBM-2 – Interests and views of stakeholders	77-78
ESRS S4	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	81,147
ESRS S4	S4-1 – Policies related to consumers	148
ESRS S4	S4-2 – Processes for engaging with consumers about impacts	148-149
ESRS S4	S4-3 – Processes to remediate negative impacts and channels for consumers and end users to raise concerns	148-149
ESRS S4	S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	149-150
ESRS S4	S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	150
ESRS G1	ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies	70,151
ESRS G1	ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	94,151
ESRS G1	G1-1 – Corporate culture and business conduct policies	153-154
ESRS G1	G1-2 – Management of relationships with suppliers	155-156
ESRS G1	G1-3 – Prevention and detection of corruption and bribery	153-154
ESRS G1	G1-4 – Confirmed incidents of corruption or bribery	155
ESRS G1	G1-5 – Political influence and lobbying activities	153
ESRS G1	G1-6 – Payment practices	156

3.5.3 Required data points in cross-functional and topical standards derived from other legislative texts of the European Union (ESRS 2, Annex B)

ESRS	Disclosure Requirement	Regulation on benchmarks			European climate law	Pages
		SFDR	Pillar 3	benchmarks		
ESRS 2	GOV-1 Board's gender diversity	x		x		195
ESRS 2	GOV-1 Percentage of board members who are independent			x		196
ESRS 2	GOV-4 Statement on due diligence	x				71
ESRS 2	SBM-1 Involvement in activities related to fossil fuel activities	x	x	x		Not applicable
ESRS 2	SBM-1 Involvement in activities related to chemical production	x		x		Not applicable
ESRS 2	SBM-1 Involvement in activities related to controversial weapons	x		x		Not applicable
ESRS 2	SBM-1 Involvement in activities related to cultivation and production of tobacco			x		Not applicable
ESRS E1	E1-1 Transition plan to reach climate neutrality by 2050				x	98-100
ESRS E1	ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks		x	x		Not applicable
ESRS E1	E1-4 GHG emission reduction targets	x	x	x		98-101
ESRS E1	E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				103
ESRS E1	ESRS E1-5 Energy consumption and mix	x				103
ESRS E1	E1-5 Energy intensity associated with activities in high climate impact sectors	x				103
ESRS E1	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	x	x	x		104
ESRS E1	E1-6 Gross GHG emissions intensity	x	x	x		105
ESRS E1	E1-7 GHG removals and carbon credits paragraph				x	Not applicable
ESRS E1	E1-9 Exposure of the benchmark portfolio to climate-related physical risks			x		Not applicable in 2024
ESRS E1	E1-9 Disaggregation of monetary amounts by acute and chronic physical risk		x			Not applicable in 2024
ESRS E1	E1-9 Location of significant assets at material physical risk		x			Not applicable in 2024
ESRS E1	E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Not applicable in 2024
ESRS E1	E1-9 Degree of exposure of the portfolio to climate-related opportunities			x		Not applicable in 2024
ESRS E2	E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				Not applicable
ESRS E3	E3-1 Water and marine resources	x				107
ESRS E3	E3-1 Policies related to water and marine resources	x				107
ESRS E3	E3-1 Sustainable oceans and seas	x				Not applicable
ESRS E3	E3-4 Total percentage of water recycled and reused	x				Not applicable
ESRS E3	E3-4 Total water consumption in m³ per net revenue on own operations	x				Not applicable
ESRS E4	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	x				79, 109

ESRS	Disclosure Requirement	SFDR	Pillar 3	Regulation on benchmarks	European climate law	Pages
ESRS E4	E4-2 Sustainable land/agricultural practices or policies	x				109-111
ESRS E4	E4-2 Sustainable oceans/seas practices or policies	x				Not applicable
ESRS E4	E4-2 Policies to address deforestation	x				109-111
ESRS E5	E5-5 Non-recycled waste	x				Not applicable
ESRS E5	E5-5 Hazardous waste and radioactive waste	x				Not applicable
ESRS S1	ESRS 2- SBM-3 – S1 Risk of incidents of forced labour	x				128-129
ESRS S1	ESRS 2- SBM-3 – S1 Risk of incidents of child labour	x				128-129
ESRS S1	S1-1 Human rights policy commitments	x				126-129
ESRS S1	S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			x		129
ESRS S1	S1-1 Processes and measures for preventing trafficking in human beings	x				129
ESRS S1	S1-1 Workplace accident prevention policy or management system	x				141
ESRS S1	S1-3 Grievance/complaints handling mechanisms	x				129
ESRS S1	S1-14 Number of fatalities and number and rate of work-related accidents	x		x		142
ESRS S1	S1-14 Number of days lost to injuries, accidents, fatalities or illness	x				142
ESRS S1	S1-16 Unadjusted gender pay gap	x		x		137
ESRS S1	S1-16 Excessive CEO pay ratio	x				137
ESRS S1	S1-17 Incidents of discrimination	x				129
ESRS S1	S1-17 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		129
ESRS S2	ESRS 2- SBM-3 – S2 Significant risk of child labour or forced labour in the value chain	x				143
ESRS S2	S2-1 Human rights policy commitments	x				144
ESRS S2	S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		Not applicable
ESRS S2	S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			x		144
ESRS S2	S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	x				145
ESRS S3	S3-1 Human rights policy commitments	x				Not applicable
ESRS S3	S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		Not applicable
ESRS S3	S3-4 Human rights issues and incidents	x				Not applicable
ESRS S4	S4-1 Policies related to consumers and end-users	x				148
ESRS S4	S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		Not applicable
ESRS S4	S4-4 Human rights issues and incidents	x				Not applicable
ESRS G1	G1-1 United Nations Convention against Corruption	x				151,153
ESRS G1	G1-1 Protection of whistle-blowers	x				154
ESRS G1	G1-4 Fines for violation of anti-corruption and anti-bribery laws	x		x		155
ESRS G1	G1-4 Standards of anti-corruption and anti-bribery	x				153-154

3.5.4 Cross-reference tables (SDGs, GRI)

3.5.4.1 CROSS-REFERENCE TABLE WITH UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Pillar	Related ESRS	Sustainable Development Goals (SDGs)
 SMCProduct	E5	   
	S2	  
 SMCPlanet	E1	 
	E2	 
	E3	 
	E4	
 SMCPeople	S1	   
	S4	
Business conduct	G1	  

3.5.4.2 GRI CROSS-REFERENCE TABLE (2021)

GRI standard title	Information component	2024 sustainability report
GRI 2: General information 2021	2-1 Organisation details	Chapter 8 – 8.1 Presentation of the issuer
	2-2 Entities included in the reporting on the organisation's sustainability	Chapter 6 – Note 8.4, Scope of consolidation,
	2-3 Reporting period, frequency and point of contact	Chapter 3 – 3.5.1 Methodological note
	2-4 Restatement of information	Chapter 3 – 3.1.1 Basis for preparation; 3.5.1 Methodological note
	2-5 External insurance	Chapter 3 – 3.6 Independent third-party report
	2-6 Activities, value chain and other business relationships	Chapter 1-1.2 Activities
	2-7 Employees	Chapter 3 – 3.1 – Characteristics of the undertaking's employees
	2-8 Workers who are not employees	Chapter 3 – 3.1 – Characteristics of non-employees
	2-9 Governance structure and composition	Chapter 4 – 4.1 Organisation of governance
	2-10 Nomination and selection of members of the highest governance body	Chapter 4 – 4.1.2.2 Rules governing the composition of the Board of Directors
	2-11 Chair of the highest governance body	Chapter 4 – 4.1 Organisation of governance
	2-12 Role of the highest governance body in overseeing impact management	Chapter 4 – 4.1.4 Committees
	2-13 Delegation of responsibility for impact management	Chapter 4 – 4.1.4 Committees and Chapter 2 – 2.3 and 2.4
	2-14 Role of the highest governance body in sustainability reporting	Chapter 4 – 4.1.4 Committees
	2-15 Conflicts of interest	Chapter 4 – 4.1.5 Declarations relating to members of the administrative and management bodies and conflicts of interest
	2-16 Communication of major concerns	Chapter 3 – 3.4. Information on business conduct
	2-17 Shared knowledge of the highest governance body	Chapter 4 – 4.1 Organisation of governance
	2-18 Assessment of the performance of the highest governance body	Chapter 4 – 4.1 Organisation of governance
	2-19 Compensation policies	Chapter 4 – 4.2 Compensation and benefits
	2-20 Process for setting compensation	Chapter 4 – 4.2 Compensation and benefits and 4.1.4.2 Nominations and Compensation Committee
	2-21 Total annual remuneration ratio	Chapter 3 – 3.1, Compensation and social protection and (S1-10, S1-11 and S1-16), Total annual compensation ratio
	2-22 Statement on sustainable development strategy	Chapter 3 – 3.1.3 Strategy
	2-23 Political commitments	Chapter 3 – 3.4. Information on business conduct
	2-24 Integration of political commitments	Chapter 3 – 3.4. Information on business conduct
	2-25 Process to remedy negative impacts	Chapter 3 – 3.4. Information on business conduct
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 3 – 3.4. Information on business conduct
	2-27 Compliance with laws and regulations	No non-compliance

GRI standard title	Information component	2024 sustainability report
GRI 2: General information 2021	2-28 Membership of associations	Chapter 3 – 3.1.3.2 Interests and views of stakeholders (SBM-2), Chapter 3 – 3.2.4 Biodiversity and ecosystems [E3]
	2-29 Stakeholder engagement approach	Chapter 3 – 3.1.3.2 Interests and views of stakeholders (SBM-2)
	2-30 Collective agreements	Chapter 3 – 3.1, Social dialogue and collective bargaining (S1-8)
GRI 3: Relevant topics 2021	3-1 Process for setting relevant topics	Chapter 3 – 3.1.4 Impact, risk and opportunity (IRO) management
	3-2 List of relevant topics	Chapter 3 – 3.1.4 Impact, risk and opportunity (IRO) management
	3-3 Managing relevant topics	Chapter 3, all sections
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Chapter 3 – 3.2.4 Biodiversity and ecosystems [E3]
	101-2 Managing impacts on biodiversity	Chapter 3 – 3.2.4 Biodiversity and ecosystems [E3]
	101-3 Access to and sharing of benefits	not applicable
	101-4 Identifying impacts on biodiversity	Chapter 3 – 3.1.4 Impact, risk and opportunity (IRO) management, Biodiversity
	101-5 Sites that have impacts on biodiversity	Chapter 3 – 3.1.4 Impact, risk and opportunity (IRO) management, Biodiversity
	101-6 Direct impact drivers of biodiversity loss	not applicable
	101-7 Changes in the state of biodiversity	Chapter 3 – 3.2.4 Biodiversity and ecosystems [E3]
	101-8 Ecosystem services	Chapter 3 – 3.2.4 Biodiversity and ecosystems [E3]
GRI 304: Biodiversity 2024	304-1 Operating sites owned, leased or managed, located in or adjacent to protected areas and areas rich in biodiversity outside protected areas	Chapter 3 – 3.1.4 Impact, risk and opportunity (IRO) management, Biodiversity
	304-2 Significant impacts of activities, products and services on biodiversity	Chapter 3 – 3.2.4 Biodiversity and ecosystems [E3]
	304-3 Habitats protected or restored	Not applicable
	304-4 Species on the IUCN red list and on the national conservation list whose habitats are located in areas affected by operations	Not applicable
GRI201: Economic performance 2016	201-1 Direct economic value generated and distributed	Chapter 5 – 5.2.1 Key figures
	201-2 Financial implications and other risks and opportunities due to climate change	Chapter 3 – 3.2.1, Material impacts, risks and opportunities related to climate change and their interaction with the strategy and business model
	201-3 Defined benefit plan and other pension plan obligations	Chapter 6 – Note 6.13 Employee benefits
	201-4 Public financial assistance	Not applicable
GRI 202: Market presence 2016	202-1 Ratios between the standard first level salary by gender compared to the local minimum wage	Not applicable
	202-2 Percentage of senior managers recruited from the local community	Not applicable
GRI 203: Indirect economic impacts 2016	203-1 Capital expenditure in infrastructure and sponsorship	Chapter 3 – 3.2.5, Product donation and recycling and 3.3.3, Raising customer awareness of the environmental impacts of products and brand commitments
	203-2 Significant indirect economic impacts	Chapter 3 – 3.2.5, Product donation and recycling and 3.3.3, Raising customer awareness of the environmental impacts of products and brand commitments
GRI 204: Purchasing practices 2016	204-1 Percentage of expenses with local suppliers	Not applicable

GRI standard title	Information component	2024 sustainability report
GRI 205: Anti-corruption 2016	205-1 Activities assessed in terms of corruption-related risks	Chapter 2 – 2.1.4 Regulatory developments and litigation risks
	205-2 Communication and training on anti-corruption policies and procedures	Chapter 2 – 2.1.4 Regulatory developments and litigation risks and chapter 3 – 3.4. Information on business conduct
	205-3 Confirmed incidents of corruption and measures taken	Chapter 3 – 3.4. Information on business conduct
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions against anti-competitive behaviour and anti-trust practices	No non-compliance
GRI 207: Taxation 2019	207-1 Tax policy approach	Chapter 1–1.7.8 Tax regulations and chapter 2–2.1.5 Legal and regulatory risks
	207-2 Tax governance, control and risk management	Chapter 1–1.7.8 Tax regulations and chapter 2–2.1.5 Legal and regulatory risks
	207-3 Stakeholder engagement and management of tax policy issues	Chapter 1–1.7.8 Tax regulations and chapter 2–2.1.5 Legal and regulatory risks
	207-4 Country-by-country reporting	Not reported
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Chapter 3 – 3.2. 5 Resource use and circular economy
	301-2 Recycled materials used	Chapter 3 – 3.2.5 Resource use and circular economy
	301-3 Recovered products and packaging materials	Chapter 3 – 3.2.5 Resource use and circular economy
GRI 302: Energy 2016		Chapter 3 – 3.2.1, Energy consumption and mix (E1-5)
GRI 303: Water and effluent 2018		Chapter 3 – 3.2.4, Water and marine resources
GRI 305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)	Chapter 3 – 3.2.1, Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
	305-2 Indirect GHG emissions (Scope 2)	Chapter 3 – 3.2.1, Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
	305-3 Other indirect GHG emissions (Scope 3)	Chapter 3 – 3.2.1, Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
	305-4 GHG emissions intensity	Chapter 3 – 3.2.1, Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
	305-5 GHG emission reduction	Chapter 3 – 3.2.1, Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
GRI 306: Waste 2020		Not applicable
GRI 308: Environmental assessment of suppliers 2016	308-1 New suppliers analysed using environmental criteria	Chapter 3 – 3.2.5 Resource use and circular economy [E5]
	308-2 Adverse environmental impacts in the supply chain and measures taken	Chapter 3 – 3.2.5 Resource use and circular economy [E5]
GRI 401: Employment 2016	401-1 Recruitment of new employees and staff turnover	Chapter 3 – 3.1 – Characteristics of the undertaking's employees
	401-2 Benefits granted to full-time employees and not to temporary or part-time employees	Chapter 3 – 3.3.1 – Company personnel
	401-3 Parental leave	Chapter 3 – 3.1, Health, safety and quality of life at work (S1-14 and S1-15)
GRI 402: Employee/management relations 2016	402-1 Minimum notice periods for operational changes	Not applicable
GRI 403: Health and safety at work 2018		Chapter 3 – 3.1, Health, safety and quality of life at work (S1-14 and S1-15)

GRI standard title	Information component	2024 sustainability report
GRI 404: Training and education 2016	404-1 Average number of training hours per year per employee	Chapter 3 – 3.1, Talent development and employee skills management (S1-13)
	404-2 Employee skills upgrade and transition assistance programmes	Chapter 3 – 3.1, Talent development and employee skills management (S1-13)
	404-3 Percentage of employees covered by performance and career development reviews	Chapter 3 – 3.1, Talent development and employee skills management (S1-13)
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governance bodies and employees	Chapter 3 – 3.1, Diversity and inclusion (S1-9 and S1-12)
	405-2 Ratio of basic wage and compensation of women and men	Chapter 3 – 3.1, Compensation and social protection (S1-10, S1-11 and S1-16)
GRI 406: Anti-discrimination 2016	406-1 Incidents of discrimination and corrective measures taken	No incidents
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers for which the right to freedom of association and collective bargaining may be at risk	Chapter 3– 3.3.2 Workers in the value chain [S2]
GRI 408: Child labour 2016	408-1 Operations and suppliers presenting a significant risk of child labour	Chapter 3– 3.3.2 Workers in the value chain [S2]
GRI 409: Forced or compulsory labour 2016	409-1 Operations and suppliers presenting a significant risk of forced or compulsory labour	Chapter 3– 3.3.2 Workers in the value chain [S2]
GRI 410: Safety practices 2016	410-1 Training of safety personnel on human rights policies and procedures	Not applicable
GRI 411: Rights of indigenous peoples 2016	411-1 Incidents of violations of the rights of indigenous peoples	Not applicable
GRI 413: Local communities 2016	413-1 Activities involving the local community, impact assessment and development programmes	Chapter 3 – 3.1.3.2 Interests and views of stakeholders (SBM-2) and 3.3.3, Raising customer awareness of the environmental impacts of products and brand commitments
	413-2 Activities generating substantial actual or potential negative impacts on local communities	Not applicable
GRI 414: Social assessment of suppliers 2016	414-1 New suppliers analysed using social criteria	Chapter 3– 3.3.2 Workers in the value chain [S2]
	414-2 Adverse social impacts on the supply chain and measures taken	Chapter 3– 3.3.2 Workers in the value chain [S2]
GRI 415: Public policies 2016	415-1 Political contributions	No political contributions
GRI 416: Consumer health and safety 2016	416-1 Assessment of the impacts of product and service categories on health and safety	Chapter 3 – 3.3.3 Consumers [S4]
	416-2 Incidents of non-compliance concerning the impacts of products and services on health and safety	No non-compliance
GRI 417: Marketing and labelling 2016	417-1 Requirements for product and service information and labelling	Chapter 3 – 3.4.4 Traceability
	417-2 Incidents of non-compliance concerning product and service information and labelling	No non-compliance
	417-3 Incidents of non-compliance concerning marketing communications	No non-compliance
GRI 418: Confidentiality of customer data 2016	418-1 Well-founded complaints about breach of customer data confidentiality and loss of customer data	No non-compliance

3.6 Report on the certification of sustainability information and audit of the information provided by SMCP in line with the disclosure requirements provided for by Article 8 of Regulation (EU) 2020/852

Financial year ended December 31, 2024

To the SMCP General Meeting,

This report is issued in our capacity as Statutory Auditors for SMCP. It covers the information on sustainability and the information provided for in Article 8 of Regulation (EU) 2020/852, relating to the financial year ended December 31, 2024, and included in Section 3 "Sustainability report" of the Group's management report (hereinafter the "Sustainability report").

Pursuant to Article L. 233-28-4 of the French Commercial Code, SMCP is required to include the aforementioned information in a separate section of the Group's management report. This information was prepared in a context of first-time application of the aforementioned articles and characterised by uncertainties as to the interpretation of the texts, the use of significant estimates and the absence of established practices and frameworks, particularly for the analysis of double materiality by a scalable internal control system. This information provides an understanding of the impacts of SMCP's activity on sustainability matters, as well as the way in which these matters affect the development of the Group's business, results and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 (II) of the aforementioned Code, our mission is to carry out the work necessary to issue an opinion, expressing limited assurance, on:

- compliance with the sustainability information standards adopted pursuant to Article 29b of Directive (EU) 2013/34 of the European Parliament and of the Council of December 14, 2022 (hereinafter ESRS meaning "European Sustainability Reporting Standards") of the process implemented by [entity] to determine the information to be reported, and compliance with the obligation to consult the Works Council provided for in Article L. 2312-17 (6) of the French Labour Code;
- the compliance of the sustainability information included in Section 3 "Sustainability report" of the Group's management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS; and
- compliance with the disclosure requirements of Article 8 of Regulation (EU) 2020/852.

This mission is carried out in accordance with the relevant ethical rules, including independence, and the rules on quality set out by the French Commercial Code.

It is also governed by the guidelines of the *Haute Autorité de l'Audit* (Supreme Audit Authority)'s "mission to certify sustainability information and audit the information disclosure requirements provided for in Article 8 of Regulation (EU) 2020/852".

In the three separate parts of the report that follow, we present, for each of the areas of our mission, the nature of the verifications that we have carried out, the conclusions that we have drawn from them, and, in support of these conclusions, the items which were the subject of particular attention on our part and the procedures we carried out in respect of these items. We draw your attention to the fact that we do not express a conclusion on these items taken in isolation, and that the procedures explained must be considered as part of the overall context of the formation of the conclusions issued on each of the three areas of our mission.

Finally, when we deem it necessary to draw your attention to one or more items of sustainability information provided by SMCP in the Group's management report, we will include a paragraph of observations.

LIMITATIONS OF OUR MISSION

As our mission aims to provide limited assurance, the nature (choice of audit techniques) of the work, its scope (range) and duration are less than those necessary to obtain reasonable assurance.

In addition, this mission does not consist in guaranteeing the viability or quality of SMCP's management, in particular by making an assessment that would go beyond compliance with the information requirements of the ESRS on the relevance of the choices made by SMCP in terms of action plans, targets, policies, scenario analyses and transition plans.

However, it does enable us to draw conclusions on the process of determining the sustainability information published, the information itself, and the information disclosed pursuant to Article 8 of Regulation (EU) 2020/852, and on the lack of identification or, on the contrary, identification of errors, omissions or inconsistencies of such importance as to be likely to influence the decisions that could be taken by readers of the information subject to our verifications.

Our mission does not cover any comparative data.

COMPLIANCE OF THE PROCESS IMPLEMENTED BY SMCP TO DETERMINE THE DISCLOSED INFORMATION WITH THE ESRS AND COMPLIANCE WITH THE OBLIGATION TO CONSULT THE WORKS COUNCIL PROVIDED FOR IN ARTICLE L. 2312-17 (6) OF THE FRENCH LABOUR CODE

Nature of verifications carried out

Our work consisted in verifying that:

- the process defined and implemented by SMCP enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify which material impacts, risks and opportunities led to the reporting of sustainability information in Section 3 "Sustainability report" of the Group's management report, and
- the information provided in this process also complies with the ESRS.

In addition, we monitored compliance with the obligation to consult the Works Council.

Conclusion of the verifications carried out

Based on the verifications we performed, we did not identify any significant errors, omissions or inconsistencies concerning the compliance of the process implemented by SMCP with the ESRS.

Concerning the consultation of the Works Council provided for in Article L. 2312-17 (6) of the French Labour Code, we hereby inform you that this obligation has been complied with.

Items that received special attention

We present below the items that received special attention on our part concerning the compliance of the process implemented by SMCP to determine the information to be disclosed with the ESRS.

Concerning the identification of stakeholders

Information relating to the identification of stakeholders is mentioned in Section 3.1.3.2 "Interests and views of stakeholders" of the Group's management report.

We have taken note of the analysis carried out by SMCP to identify the stakeholders, which may affect the entities in the scope of the information, or be affected by them, their activities or direct or indirect business relationships in the value chain.

We interviewed management and other persons we deemed appropriate and inspected the available documentation. Our audit consisted in particular of:

- assessing the consistency of the main stakeholders identified by the entity with the nature of its activities and its geographical location, taking into account its business relationships and value chain;
- assessing the appropriateness of the description given in Note 3.1.3.2 "Interests and views of stakeholders" of the Group's management report, in particular, with regard to the methods used to collect the interests and views of stakeholders set up by the entity.

Regarding the identification of impacts, risks and opportunities

Information related to the identification of impacts, risks and opportunities is mentioned in Section 3.1.4 "Impact, risk and opportunity (IRO) management" of the Group's management report.

We have taken note of the process implemented by the entity concerning the identification of actual or potential impacts (negative or positive), risks and opportunities ("IROs"), in connection with the sustainability matters mentioned in the AR paragraph 16 of the ESRS 1 "Application Requirements" and, where applicable, those specific to the entity.

We have taken note of the mapping carried out by the entity of the IROs identified, including in particular the description of their distribution in own activities and in the value chain, as well as their time horizon (short, medium or long-term), and we have assessed the consistency of this mapping with our knowledge of the entity and, where applicable, with the risk analyses carried out by the Group's entities.

We have:

- assessed the way in which the entity has considered the list of sustainability topics listed by ESRS 1 (AR 16) in its analysis;
- assessed the consistency of the actual and potential impacts, risks and opportunities identified by the entity with the available sector-specific analyses;
- assessed the consistency of the current and potential impacts, risks and opportunities identified by the entity, in particular those specific to it, as they are not covered or insufficiently covered by the ESRS standards, based on our knowledge of the entity;
- assessed how the entity has taken into consideration the different time horizons, particularly with regard to climate matters;
- assessed whether the entity has taken into account the risks and opportunities that may arise from both past and future events as a result of its own activities or business relationships, including the actions taken to manage certain impacts or risks;
- assessed whether the entity has taken into account its dependencies on natural, human and/or social resources when identifying risks and opportunities.

Regarding the assessment of impact materiality and financial materiality

Information relating to the assessment of impact materiality and financial materiality is mentioned in Section 3.1.4 "Impact, risk and opportunity (IRO) management" of the Group's management report.

Through interviews with management and inspection of the available documentation, we obtained an understanding of the impact and financial materiality assessment process implemented by the entity, and have assessed its compliance with the criteria defined by ESRS 1.

In particular, we have:

- assessed the consistency of the thresholds determined thereunder with our knowledge of the entity;
- verified that all impacts (positive or negative), and actual or potential risks and opportunities identified by the entity have been assessed;
- assessed whether the entity has assessed the IROs independently of any mitigation measures;
- verified that the financial materiality assessment was carried out without inappropriate offsetting of risks and opportunities;
- assessed the appropriateness of the information provided in Section 3.1.4 "Impact, risk and opportunity (IRO) management" of the Group's management report.

We also assessed the way in which the entity established and applied the information materiality criteria defined by ESRS 1, including those relating to the setting of thresholds, to determine the material information disclosed:

- for the indicators relating to the material IROs identified in accordance with the relevant topical ESRS standards;
- for the information specific to the entity.

COMPLIANCE OF THE SUSTAINABILITY INFORMATION INCLUDED IN SECTION 3 “SUSTAINABILITY REPORT” OF THE GROUP’S MANAGEMENT REPORT WITH THE REQUIREMENTS OF ARTICLE L. 233-28-4 OF THE FRENCH COMMERCIAL CODE, INCLUDING WITH THE ESRS.

Nature of verifications carried out

Our work consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided makes it possible to understand the preparation and governance methods used for the sustainability information included in Section 3 “Sustainability report” of the Group’s management report, including the methods used to determine the information relating to the Group’s value chain and the disclosure exemptions used;
- the information is presented in a legible and comprehensible way;
- the scope selected by SMCP in relation to this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of its users, that this information is free of significant errors, omissions or inconsistencies which are likely to influence the judgement or decisions of users of this information.

Conclusion of the verifications carried out

On the basis of our verifications, we did not identify any significant errors, omissions or inconsistencies regarding the compliance of the sustainability information included in Section 3 “Sustainability report” of the Group’s management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS.

Observation

Without undermining the conclusion expressed above, we draw your attention to the information appearing at the beginning of the Sustainability report in the notes entitled “1.1.1 General basis for preparation of the Sustainability report (BP-1)” and “1.1.2 Disclosures in relation to specific circumstances”, which describes the uncertainties and limits faced by SMCP in the general context of the first-time application of the CSRD Directive.

Items that received special attention

Information provided in accordance with the ESRS E1 environmental standard

The information published in respect of climate change (ESRS E1) is mentioned in Section “3.2.1 Climate change [E1]” of the Sustainability report appended to the Group’s management report.

We present below the items that have received special attention on our part concerning the compliance of this information with the ESRS.

Our work consisted in assessing the appropriateness of the information presented in chapter 3.2.1 “Climate change [E1]” of the sustainability information included in the Group’s management report and its overall consistency with our knowledge of the entity.

Regarding the information published in respect of the greenhouse gas emissions report:

- We assessed the consistency of the scope considered for the assessment of the greenhouse gas emissions with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- We obtained an understanding of the protocol for establishing the greenhouse gas emissions inventory used by the entity to establish the greenhouse gas emissions report, and assessed its application methods on a selection of emission categories and sites for Scope 1 and Scope 2.
- Regarding Scope 3 emissions, we assessed:
 - the reasons given for including or excluding the various categories and the transparency of the information given in this respect,
 - the information collection process,
- We assessed the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, given the inherent uncertainty in the state of scientific or economic knowledge and the quality of the external data used;
- For physical data (such as energy consumption), we used sampling to reconcile the underlying data used to prepare the greenhouse gas emissions assessment with the supporting documents;

- We implemented analytical procedures;
- With regard to the underlying estimates which we deemed to be used by the entity for the preparation of its greenhouse gas emissions report:
 - Through interviews with management, we obtained an understanding of the methodology used to calculate the estimated data and the sources of information on which these estimates are based;
 - We assessed whether the methods were applied consistently or whether there were any changes since the previous period, and whether these changes are appropriate;
- We verified the arithmetical accuracy of the calculations used to establish this information.

With regard to the verifications under the transition plan for climate change mitigation, our work mainly consisted in assessing whether the information published under the transition plan meets the requirements of ESRS E1, appropriately describes the assumptions underlying this plan, it being specified that we do not have to comment on the appropriateness or the level of ambition of the objectives of this transition plan.

Information provided in accordance with social standards (ESRS S1 to S4)

The information published in respect of the Group's workforce (ESRS S1) is mentioned in chapter 3.3.1 "Company personnel [S1]" of the Sustainability report appended to the Group's management report.

Our main procedures on this information consisted in:

- on the basis of interviews conducted with management or with persons we deemed appropriate (Human Resources Department, etc.):
 - obtaining an understanding of the collection and compilation procedure for the processing of qualitative and quantitative information, with the purpose of reporting material information in the Sustainability report;
 - implementing procedures to verify the correct consolidation of this data;
 - assessing whether the description of the policies, actions and targets implemented by the entity covers the following areas: health and safety, quality of life at work, talent development and skills management, diversity and inclusion, compensation, social protection and social dialogue;

We have also:

- examined the geographical scope for which the information was prepared;
- assessed whether the methods and assumptions used by the Company to determine the disclosed information are appropriate with regard to ESRS S1;
- compared the disclosed information with the items appearing in the consolidated financial statements, the entity's internal accounting data, such as management statements, and any other publications relating to these subjects that we may have identified;
- examined, using sampling, the supporting documents against the relevant information;
- verified the arithmetical accuracy of the calculations used to prepare this information, where applicable, after applying rounding rules.

COMPLIANCE WITH THE DISCLOSURE REQUIREMENTS OF ARTICLE 8 OF REGULATION (EU) 2020/852

Nature of verifications carried out

Our work consisted in verifying the process implemented by SMCP to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

It also consisted in verifying the information published pursuant to Article 8 of Regulation (EU) 2020/852, which involves verifying:

- compliance with the rules governing the presentation of this information, to ensure that it is legible and comprehensible;
- the absence of significant errors, omissions and inconsistencies in the information provided, based on a selection, that are likely to influence the judgement or decisions of the users of this information.

Conclusion of the verifications carried out

On the basis of the verifications that we carried out, we did not identify any significant errors, omissions or inconsistencies regarding compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Items that received special attention

We determined that there were no such items to disclose in our report.

Paris-La Défense, March 28, 2025

Deloitte & Associés

Bénédicte SABADIE



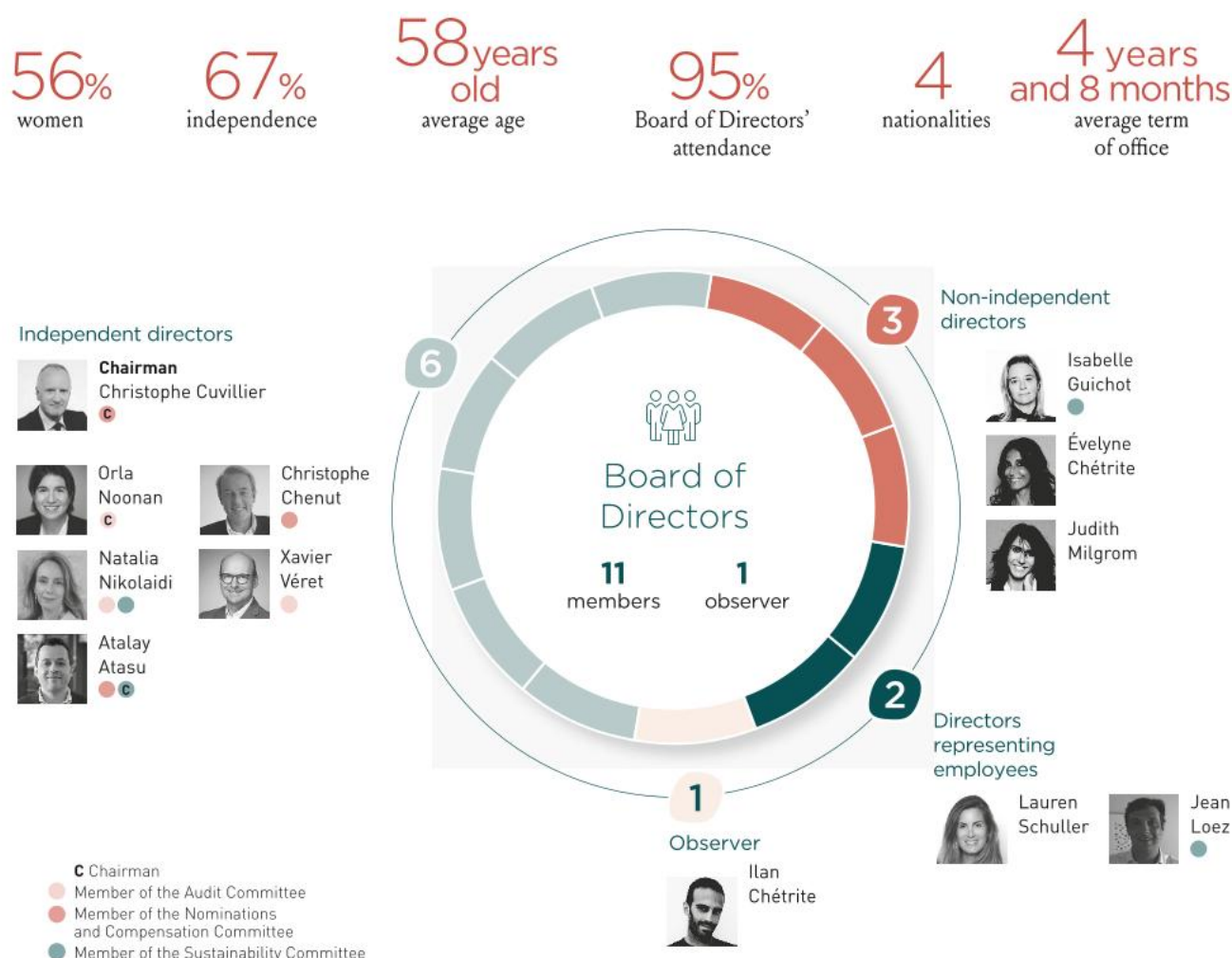
Corporate governance

4.1	Organisation of governance	180	4.2	Compensation and benefits	208
	Board of Directors and permanent specialised committees	180	4.2.1	Corporate officer compensation policy for 2025	209
	Introduction: Code of Corporate Governance	182	4.2.2	Compensation of corporate officers in 2024	220
4.1.1	Management bodies	183	4.2.3	Draft resolutions submitted to the General Meeting of June 12, 2025	234
4.1.2	Composition of the Board of Directors	185			
4.1.3	Functioning of the Board of Directors	197	4.3	Commitments with related parties and Agreements	235
4.1.4	Committees	203	4.3.1	Transactions with related parties	235
4.1.5	Declarations relating to members of the administrative and management bodies and conflicts of interest	207	4.3.2	Statutory Auditors' special report on related-party agreements	236

4.1 Organisation of governance

Board of Directors and permanent specialised committees

COMPOSITION OF THE BOARD OF DIRECTORS ON APRIL 16, 2025



Main work of the Board in 2024

In particular, the Board of Directors approved the financial results of the Company and the Group, prepared various reports (in particular the management report and the corporate governance report), approved the universal registration document (and the

Statement of Non-Financial Performance it contains), convened the Company's General Meeting, proposed the appointment of a Statutory Auditor responsible for certifying information relating to sustainability, approved the business plan and the budget of the Group and its brands and approved the 2025 CSR targets.

PERMANENT SPECIALISED COMMITTEES



MAPPING OF DIRECTORS' SKILLS



SMCP is managed by a Chief Executive Officer and three Deputy General Managers.



Isabelle Guichot
Chief Executive Officer SMCP



Évelyne Chétrite
Deputy General Manager and Artistic Director of Sandro



Judith Milgrom
Deputy General Manager and Artistic Director of Maje



Ilan Chétrite
Deputy General Manager and Artistic Director of Sandro Homme



Introduction: Code of Corporate Governance

Since the Company's shares were listed for trading on Euronext Paris regulated market ("Euronext Paris") in October 2017, the Company has referred to and, subject to the information below, complied with the Code of Corporate Governance for listed companies published by the Association Française des Entreprises Privées ("Afp") and Mouvement des Entreprises de France ("MEDEF") in its updated version in December 2022 (the "Afp-MEDEF Code").

The Afp-MEDEF Code to which the Company refers may be consulted on the internet at the following address: <http://www.medef.com>. The Company keeps copies of the Code available for members of its corporate bodies at all times.

The Company applies the Afp-MEDEF Code (as revised in December 2022), with the exception of the following recommendation:

Recommendation of the Afp-MEDEF Code

Recommendation 26.5.1 of the Afp-MEDEF Code

"The performance conditions set by the Boards for these payments must be assessed over a period of at least two financial years."

Company's comment

The performance condition set for the payment of the severance package to Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite is assessed over the last 12 months preceding the termination of their duties in comparison with the performance achieved over the 12-month period preceding this reference period, whereas recommendation 26.5.1 of the Afp-MEDEF Code recommends a performance condition assessment period of at least 24 months. In the light of the Group's activities and a market environment characterised by rapidly changing trends and outlooks, the Company indeed considers that the performance of each officer must be assessed over the most recent period preceding the end of his/her duties.

4.1.1 Management bodies

PROCEDURES AND FUNCTIONING OF THE MANAGEMENT BODIES

Missions and powers of the Chairman, Chief Executive Officer and the Deputy General Managers

The functions of Chairman of the Board of Directors and Chief Executive Officer of the Company are separate. Mr. Christophe Cuvillier is Chairman of the Board of Directors and Ms. Isabelle Guichot is Chief Executive Officer of the Company. The positions of Deputy General Managers in the Company are assumed by Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite. Each Deputy General Manager is responsible for the policy of creation, the design, the artistic direction and the marketing strategy of the brand within his or her area of responsibility, i.e. Sandro for Ms. Évelyne Chétrite, Maje for Ms. Judith Milgrom and Sandro Homme for Mr. Ilan Chétrite.

The term of office as (Independent) Director and Chairman of the Board of Directors of Mr. Christophe Cuvillier, the term of office as Director and Chief Executive Officer of Ms. Isabelle Guichot, the terms of office as Directors and Deputy General Managers of Ms. Évelyne Chétrite and Ms. Judith Milgrom and the term of office of observer and Deputy General Manager of Mr. Ilan Chétrite expire at the end of the Ordinary General Meeting called to approve the financial statements for the financial year ended December 31, 2024. Consequently, on June 12, 2025, the shareholders of the Company will be asked to vote on the renewal of Mr. Christophe Cuvillier as (Independent) Director, and Ms. Isabelle Guichot, Ms. Évelyne Chétrite and Ms. Judith Milgrom as Directors.

At the proposal of the Nominations and Compensation Committee of March 20, 2025, the Board of Directors will meet on June 12, 2025, after the Annual General Meeting to be held on that day, to renew for a period of four years (ending at the end of the Ordinary General Meeting called to approve the financial statements for the financial year ended December 31, 2028) the terms of office of Mr. Christophe Cuvillier as Chairman of the Board of Directors, Mr. Ilan Chétrite as observer and of the General Management. The Board will be asked to appoint Ms. Isabelle Guichot as Chief Executive Officer for a new term of four years, and, with her agreement, to renew the terms of office of Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite as Deputy General Managers.

Conduct of General Management – Limitations of powers

As required by law, the Company's Articles of Association and the internal rules of the Board of Directors, the Chairman of the Company's Board of Directors chairs the meetings of the Board, ensures the correct operation of the Company's governing bodies, and ensures, in particular, that the Board members are able to perform their tasks.

The Chief Executive Officer is vested with the most extensive powers to act in all circumstances in the name of the Company. She exercises these powers within the limits of the corporate purpose and subject to those powers expressly attributed by law to General Meetings and to the Board of Directors.

She represents the Company vis-à-vis third parties. The Company is bound even by acts of the Chief Executive Officer that do not fall within the Company corporate purpose, unless it can prove that the third party knew that the act exceeded such purpose or that the party could not fail to be aware of it under the circumstances; publication of the Articles of Association alone is not sufficient to constitute such proof.

Decisions of the Board of Directors limiting the powers of the Chief Executive Officer are not enforceable against third parties.

Together with the Chief Executive Officer, the Board of Directors determines the scope and the duration of the powers conferred on the Deputy General Managers. The Deputy General Managers have the same powers as the Chief Executive Officer vis-à-vis third parties.

The Chief Executive Officer or the Deputy General Managers may, subject to the limits set by the legislation in force, delegate the powers they deem appropriate, for one or more specific purposes, to any agents, even from outside the Company, either individually or forming a committee or commission, with or without the power of substitution, subject to the limitations set by law. These powers may be permanent or temporary and may include the power of substitution or otherwise. The delegations thus granted retain their full effects despite expiry of the office of the person conferring them.

Under Article 3.2 of its internal rules, the Board of Directors gives its prior approval, by simple majority vote of the members present or represented, for any act or decision of the Chief Executive Officer concerning the following:

- (i) the approval of/ or amendments to the Group's annual budget;
- (ii) the approval or material amendments to the Group's annual business plan;
- (iii) any issue of shares, instruments or securities giving rights, immediately or deferred, to the capital of the Company subject to the provisions of section 3.4;
- (iv) the subscription by any Group company, of any indebtedness of a cumulative amount of more than €10,000,000 per year in excess of the annual budget;
- (v) any decision that may lead to an event of default or to an acceleration under the terms of the financing documentation for any Group company;
- (vi) any over-expenditure on the Group's capital expenditure (CapEx) in excess of 10% of the annual budget;
- (vii) the conclusion, termination of or material amendment of any agreement to which a Group company is a party for which the annual amount exceeds €4,000,000, other than contracts covered by point (ix) and cash investments by Group companies in term accounts and deposits made with institutions whose financial health is proven, and which allow funds to be withdrawn within a reasonable period of time;
- (viii) any expenditure of an individual amount exceeding €2,000,000, not included in the Group's annual budget;
- (ix) the creation, acquisition, disposal or constitution of any collateral by a Group company relating to any activity, subsidiary or assets for an amount exceeding €2,000,000 (unless the aforementioned transactions have been approved as part of the budget);

- (x) the recruitment, the redundancy, the contractual termination ("rupture conventionnelle") or the settlement ("accord transactionnel") putting an end to the functions, the dismissal, the substantial modification of the functions or a change in compensation (unless it is part of the annual wage increases) of any member of the Executive Committee or corporate officer of the Group;
- (xi) the conclusion by a Group company of any industrial or commercial joint-venture agreement or merger agreements with a third party that could have a significant impact on the Group;
- (xii) the opening of a store or a subsidiary or a new activity in a new country;
- (xiii) the appointment or renewal of Statutory Auditors;
- (xiv) any significant transformation or restructuring of a Group entity;
- (xv) the development of any new line of activity without a direct link to the corporate purpose of the Group's companies;
- (xvi) any transaction that directly or indirectly modifies the share capital or equity of the Company (including any merger, spin-off or partial contribution of assets or distribution of dividends);
- (xvii) a modification of more than 3% per year of the compensation of the Group payroll compared to the annual budget;
- (xviii) the execution, termination or modification of any agreement entered into with the founders or the principal executives of the Group (including their employment contracts or service agreements);
- (xix) the settlement of a dispute in an amount exceeding €2,000,000.

4.1.2 Composition of the Board of Directors

4.1.2.1 BOARD OF DIRECTORS

The following table lists the members of the Board of Directors on the date of registration of this universal registration document, as well as the principal offices held and duties performed by the Board members in the last five years.



Christophe Cuvillier

Chairman of the Board of Directors

Christophe Cuvillier is a graduate of HEC Paris. He has extensive experience at the head of many large French groups. For eight years, he was Chairman of the Management Board of Unibail-Rodamco, which in 2018 became Unibail-Rodamco-Westfield, and which he had joined in 2011 as Chief Operating Officer. Previously, he held various senior positions within the PPR group (now Kering), including Chief Operating Officer of FNAC from 2000 to 2005, Chairman and Chief Executive Officer of Conforama from 2005 to 2008, then Chairman and Chief Executive Officer of FNAC from 2008 to 2010. Before joining the PPR group, he spent 14 years in L'Oréal group's Luxury Products Division, holding various senior management positions in France and abroad.

Age: 62

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the year ended December 31, 2024

Shares held:

8,000

Participation in permanent Board committees:

Nominations and Compensation Committee

Skills:

General Management
Environment
Governance
M&A
Finance/Audit/Risk
Management
International experience
Innovation/Digital
Fashion, luxury and retail expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

None

Outside the Group:

- Raisesherpas Endowment Fund – Director
- HEC International Advisory Board – Member
- Nextus SAS – Chairman
- Celonis Advisory Board – Member
- Damac Real Estate Development Limited – Director

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

- Unibail-Rodamco-Westfield SE – Chairman of the Management Board
- Rodamco Europe BV – Chairman of the Supervisory Board
- European Public Real Estate Association (EPRA) – Chairman of the Board of Directors
- Fédération Française des Sociétés Immobilières et Foncières (FSIF) – Representative of Unibail-Rodamco-Westfield SE
- Société Paris-Île de France Capitale Économique – Representative of Unibail-Rodamco-Westfield SE on the Board of Directors
- Viparis Holding SA – Director
- WFD Unibail-Rodamco NV – Chairman of the Supervisory Board
- U&R Management BV – Director and Chairman of the Board of Directors
- Pavillon de l'Arsenal – Director
- Salesforce Advisory Board EMEA – Member



Isabelle Guichot

Chief Executive Officer and Director

Isabelle Guichot is a graduate of HEC Paris. She began her career at Cartier International where she held the following positions: Project Manager at Cartier Incorporated in New York (United States) (1988-1989), Deputy General Secretary (1989-1991), Commercial Director of Cartier International (1992-1995), Chief Executive Officer of Cartier SA France (1996-1999), Chairman and Chief Executive Officer of Van Cleef & Arpels International (1999-2005) and then of Lancel (2003-2005). She then joined the Pinault Printemps Redoute Group (PPR, now Kering) where she held the positions of Director of Development of Gucci Group (2005-2007), Chairman and Chief Executive Officer of Sergio Rossi (2005-2007), then Chairman and Chief Executive Officer of Balenciaga SA (2007-2017), also having a seat on the Board of Directors of the Kering Foundation. She joined SMCP group in 2017, where she was Chief Executive Officer of Maje before being appointed Chief Executive Officer and director of SMCP in August 2021. Isabelle Guichot was also a member of the Board of Directors of Chargeurs SA until April 2025.

Age: 60

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the year ended December 31, 2024

Shares held:

167,578

Participation in permanent Board committees:

Sustainability Committee

Skills:

General Management
Environment
Social
Governance
Finance/Audit/Risk
Management
International experience
Innovation/Digital
Fashion, luxury and retail
expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

- SMCP Group SAS – Chief Executive Officer
- Claudie Pierlot SAS – Chairman
- SMCP Logistique SAS – Chairman
- Fursac SA – Chairman of the Board of Directors
- SMCP Deutschland GmbH – Chief Executive Officer
- SMCP Switzerland SA – Chairman of the Board of Directors
- SMCP Portugal – Manager
- SMCP Sweden – Chairman of the Board of Directors
- SMCP USA Inc. – Director, Vice-President
- SMCP Retail East Coast Inc. – Director, Vice-President
- SMCP Retail West Coast Inc. – Director, Vice-President
- SMCP Canada Inc. – Director, Vice-President
- SMCP Asia Ltd. – Director
- SMCP Hong Kong Ltd. – Director
- SMCP Shanghai Trading Co. Ltd. – Director
- SMCP Taiwan Trading Co. Ltd. – Director
- SMCP Japan GK – Director
- SMCP Malaysia SDN.BHD – Director
- AZ Retail Ltd. – Director
- SMCP Fashion Ltd. – Director
- SMCP APAC PTE Ltd. – Director

Outside the Group:

None

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

- Maje SAS – Deputy General Manager
- SMCP Holding SAS – Chairman
- 341 SMCP SAS – Chairman
- Fursac SA – Chief Executive Officer

Outside the Group:

- Chargeurs SA – Independent Director



Évelyne Chétrite

Deputy General Manager and Director

Évelyne Chétrite studied law at the University Paris 1 Panthéon-Sorbonne. Passionate about fashion and styling, Évelyne Chétrite created the Sandro brand in 1984 with her husband Didier Chétrite. The first store opened in 2004 in the heart of the Marais district of Paris. Under the creative impetus and vision of Évelyne Chétrite, Sandro quickly became a leading brand in the ready-to-wear market. Since the creation of the brand, Évelyne Chétrite has created and directed Sandro collections as Artistic Director. In addition to these operational duties, Évelyne Chétrite, who served for many years as Chairman of the Group, is currently a member of the Board of Directors, and Deputy General Manager of the Company, and responsible for the design policy and the marketing strategy of Sandro.

Age: 66

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the year ended December 31, 2024

Shares held:
2,357,743

Participation in permanent Board committees:

No

Skills:

General Management
Social
Governance
International experience
Fashion, luxury and retail expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

- Sandro Andy SAS – Chairman: Évelyne Chétrite
SASU represented by Évelyne Chétrite

Outside the Group:

- SCI REBECCA – Manager
- EDID – Manager
- Évelyne Chétrite SASU – Chairman
- Grand Chene – Manager
- Petite Princesse – Manager
- Hessed – Manager
- Sagesse – Manager
- Kemisi – Co-Manager
- Kismi – Manager
- Maison Blanche – Manager
- SIVAN SAS – Chairman
- Fonds TAL – Chairman
- JOIE S.à.r.l. – Co-Manager
- ARCHIVES SAS – Chairman

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

None



Judith Milgrom

Deputy General Manager and Director

Judith Milgrom, passionate about fashion and style, worked for many years in creation and design. With this experience, Judith Milgrom founded Maje in 1998, for which she has created and directed the collections since the creation of the brand. Maje opened its first shop in Paris in 2003 and quickly became a leading brand in the ready-to-wear market. Judith Milgrom is Artistic Director of Maje. In addition to these operational duties, Judith Milgrom is currently a member of the Board of Directors, and Deputy General Manager of the Company, and responsible for the design policy and the marketing strategy of Maje.

Age: 60

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the year ended December 31, 2024

Shares held:

2,222,697

Participation in permanent Board committees:

No

Skills:

General Management
Social
International experience
Fashion, luxury and retail expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

- Maje SAS – Chairman: Judith Milgrom SASU represented by Judith Milgrom

Outside the Group:

- SC SAVA – Manager
- SC SHMIL – Manager
- SC AVANA – Co-Manager
- SCI MAJ – Manager
- SCI MAIL – Manager
- SCI J&A – Co-Manager
- Judith Milgrom SASU – Chairman
- Fonds TODA – Chairman
- Jodor Investissements SAS – Chairman
- HARMONY SAS – Chairman: Judith Milgrom SASU represented by Judith Milgrom
- SCI PALOMA 2011 – Co-Manager

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

- SCI A&J – Co-Manager
- SC AMJM – Co-Manager



Orla Noonan

Independent Director

Orla Noonan is a graduate of HEC Paris and holds a BA (Economics) from Trinity College Dublin. She started her career in 1994 in investment banking in London at Salomon Brothers, as a financial analyst, working in the media/telecoms sector. She joined AB Groupe in 1996 as Director in charge of business development, M&A and financial communication. She led IPOs in New York and Paris as well as external growth operations, including the acquisitions of the TV channels RTL9 and TMC. Orla Noonan became General Counsel of the Group in 1999 and a member of its Board of Directors in 2003. She was President of the television channel NT1 between 2005 and 2010. Appointed Chief Executive Officer of AB Group from 2014 to 2018, she successfully transformed it by renewing the pay television business, launching new digital services and strengthening the Production division by acquiring several independent production companies. In 2018, she became Chairman of the Board of Adevia, the world's leading online classifieds company. During six years of transformation and growth, she led first the Group's IPO in 2019, then the acquisition of EBay Classifieds in 2021 and finally its sale to a consortium of investors led by Blackstone and Permira in 2024. Orla Noonan is also an Independent Director of Agence France Presse (AFP), Believe and TF1. She was an Independent Director of Iliad SA for 12 years (from 2009 to 2021) and of Schibsted Media Group between 2017 and 2019.

Age: 55

Nationality: French and Irish

Term of office expiry date:
General Meeting called to approve the financial statements for the financial year ended December 31, 2026

Shares held:
3,200

Participation in permanent Board committees:
Audit Committee

Skills:
General Management
Social
Governance
M&A
Finance/Audit/Risk management
International experience
Innovation/Digital

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

None

Outside the Group:

- Agence France Presse (AFP) – Independent Director
- Knightly Investments – Chairman
- Believe – Independent Director
- TF1 – Independent Director

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

- Iliad SA – Independent Director
- Schibsted Media Group – Independent Director
- Adevia – Chairman of the Board of Directors



Christophe Chenut

Independent director

Christophe Chenut is a graduate of the University of Paris Dauphine and the Institut Supérieur des Affaires (ISA-MBA HEC). As soon as he finished his studies in 1986, Christophe Chenut created his direct marketing agency "Directing", which he sold in 1993 to the DDB Group to merge with its subsidiary RappCollins. He became Chairman of RappCollins France in 1993, then Europe in 1998. He was appointed Chief Executive Officer of Groupe DDB France in 2000, a position he held until 2003. Christophe Chenut was then Chief Executive Officer of SNC L'Équipe from 2003 to 2008, of Lacoste SA from 2008 to 2013, of the newspaper *L'Opinion* (co-founder) from 2013 to 2015, of Comptoir des Cotonniers and Princesse Tam in 2015, and of Elite Model Management from 2016 to 2017. He is currently Chairman of Christophe Chenut Conseil and Chairman of the Supervisory Board of Hopscotch Group. Christophe Chenut has been a member of the Board of Directors of the Stade Rennais, Evian TG, Paris Saint Germain, Lonsdale Agency and Bonpoint. He is a member of the Board of Directors of LOSC Lille and of Inès de la Fressange Paris. He is also a senior advisor for several investment funds and M&A firms (Ryder & Davis, Calao, LinkSport), and also held this role for Artemis until 2020. He is the Chairman of Dauphine Alumni.

Age: 62

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the financial year ended December 31, 2025

Shares held:

1,000

Participation in permanent Board committees:

Nominations and Compensation Committee

Skills:

General Management
Social
M&A
Fashion, luxury and retail expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

None

Outside the Group:

- Christophe Chenut Conseil SAS – Chairman
- LOSC Lille – Director
- Hopscotch Groupe – Chairman of the Supervisory Board
- Inès de la Fressange – Director
- Dauphine Alumni – Chairman
- Newtaco SAS – Member of the Strategic Committee

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

None



Natalia Nikolaidi

Independent Director

Natalia Nikolaidi holds a bachelor's degree (economics) from Yale University, a doctorate in law and a master's degree in foreign service from Georgetown University, Washington, DC, as well as a master's degree in European law from the College of Europe, in Bruges. Natalia Nikolaidi began her career practising in major law firms in New York, focusing on corporate finance. She then spent 24 years at Crédit Suisse, notably as Global Head of the Investment Banking Risks & Controls department. She was General Counsel of the Investment Banking & Capital Markets division from 2015 to 2020. She was a non-executive director, Chairman of the Governance and Nominations Committee and member of the Audit Committee of the listed company ElvalHalcor SA (a Greek industrial company specialising in metallurgy). She is currently Non-Executive Director, Chairman of the Nominations and Compensation Committee, and Chairman of the Sustainability Committee of the listed airline Aegean Airlines SA (member of Star Alliance) since July 2021, as well as Non-Executive Director and member of the Sustainability Committee of the listed company Metlen Energy & Metals SA (an international industrial company offering metallurgy, EPC, electrical energy, gas trading and environmental solutions) since February 2021. Natalia Nikolaidi has been a Non-Executive Director and member of the Audit and Risk Committee of the listed company Titan Cement Group since May 2022 and member of the Bain Consulting network of senior advisors since November 2022.

Age: 60

Nationality: Greek

Term of office expiry date:

General Meeting called to approve the financial statements for the financial year ended December 31, 2025

Shares held:
100

Participation in permanent Board committees:

Audit Committee
Sustainability Committee

Skills:

Environment
Social
M&A
Finance/Audit/Risk management
International experience

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

None

Outside the Group:

- Dynamic Counsel Ltd. - Founder and Chairman
- Aegean Airlines, SA - Non-executive Director, Chairman of the Compensation and Nominations Committee, Chairman of the Sustainability Committee
- Metlen Energy & Metals SA - Non-executive Director, Member of the Sustainability Committee
- Titan Cement Group - Non-executive Director, Member of the Audit and Risk Committee
- Bain Consulting - Member of the senior advisors network
- Climate Governance Initiative, NGO (Greece) - Director

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

- Credit Suisse - Head of Legal Investment Banking & Capital Markets
- ElvalHalcor SA - Non-executive Director, Chairman of the Governance and Nominations Committee, Member of the Audit Committee



Xavier Véret

Independent director

Xavier Véret is a graduate of the University of Paris Dauphine. Xavier Véret began his career in auditing at Arthur Andersen (1990-1996) before holding several key financial positions within the Valeo Group between 1996 and 2007, where he managed a turnaround in 2001. Mr. Véret then created the equity interests department at LBO France (2007-2010), before taking over the management control department of the Casino group (2010-2013) and finally the finance, purchasing and information systems department of Presstalis (press releases) from 2013 to 2018, during one of its restructuring phases. From 2018, Xavier Véret has been involved in various high-stakes transition missions, mainly in crisis, major transformation, turnaround or restructuring environments. For example, he was Chief Financial Officer and Restructuring Director of Bourbon Offshore (leader in offshore oil maritime services) until September 2019, Finance Director and Chief Transformation Officer of Nutrixio and then of the Vivescia group (an international farming cooperative and agrifood group) between October 2019 and October 2021, then Chief Financial Officer France for the Colisée group (nursing homes, geriatric support solutions) from November 2022 to May 2023 and finally Director of Transformation of the Episens wheat division of the InVivo group for one year. He is a partner at X-PM (global leader in transition management) which he joined in September 2023 as Associate Director of Finance.

Age: 58

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the financial year ended December 31, 2025

Shares held:

100

Participation in permanent Board committees:

Audit Committee

Skills:

General Management
M&A
Finance/Audit/Risk management
Innovation/Digital

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

None

Outside the Group:

– X-PM – Partner

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

- Nutrixio – Chief Financial and Transformation Officer
- Vivescia – Chief Financial and Transformation Officer
- Colisée France – Chief Financial Officer
- InVivo – Transformation Director of the wheat activity



Atalay Atasu

Independent director

Atalay Atasu is a graduate of Istanbul Technical University, Bosphorus University (Bogazici University) and INSEAD. He is a Professor of Technology and Operations Management at INSEAD. His research focuses on the management of socially and environmentally responsible operations, with topics of interest such as the circular economy, extended producer responsibility and environmental regulation. His research has been published in numerous leading publications. He has received numerous awards, including the Wickham Skinner Best Paper Award (2007 winner, 2014 finalist), the Wickham Skinner Early Career Research Award (2012), the Paul Kleindorfer Award in Sustainability (2013) and he was a 2021 finalist in the McKinsey Award for Best Harvard Business Review Paper. He was department editor of the department of sustainable operations of Production and Operations Management (POMS), and associate editor of Manufacturing and Service Operations Management (M&SOM), as well as president of the Manufacturing and Service Operations Management Society. He is co-director and founder of INSEAD's Business Sustainability Programme in Executive Education and INSEAD's Sustainable Business Initiative.

Age: 46

Nationality: American
(United States)

Term of office expiry date:
General Meeting called to
approve the financial
statements for the
financial year ended
December 31, 2026

Shares held:
1,000

**Participation in
permanent Board
committees:**
Sustainability Committee
Nominations and
Compensation Committee

Skills:
Environment
Social
International experience
Innovation/Digital
Fashion, luxury and retail
expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

None

Outside the Group:

- INSEAD – Professor
- Ecovadis – Member of the Advisory Board
- Bilkent University – Member of the Advisory Board
- Acpit Consulting Inc. – Director

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

- Supply Chain Wizard – Member of the Advisory Board



Lauren Schuller

Director representing employees

Lauren Schuller graduated from ESCP Europe in France and holds a Master's degree in Finance from the University of Paris Dauphine. She began her career in 2006 by launching her own company in the wines and spirits sector, focused primarily on exporting to Asia, and later acquired an existing French wine distribution company to develop the French market. After nearly ten years of entrepreneurship, she decided to join the SMCP group in 2015, first as Head of International Store Development, then as Head of Development for the four brands and now as International Development Director since September 2023.

Age: 43

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the financial year ended December 31, 2026

Participation in permanent Board committees:

No

Skills:

International experience
Fashion, luxury and retail expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

– SMCP – International Development Director

Outside the Group:

– Equerre Conseil – Chairman

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

– SMCP – International Development Manager

Outside the Group:

None



Jean Loez

Director representing employees

Jean Loez holds a degree in textile engineering from ESTIT (École Supérieure des Techniques Industrielles et des Textiles), and has a background in international negotiation from HEC business school. He began his career in the textile industry, first as R&D quality manager, then as plant manager in Morocco, and finally as director of industrialisation and logistics for Vanity Fair group. His career in ready-to-wear continued in 1995 with the Mulliez group as Group Purchasing and Production Director. In 2004, Jean Loez joined Comptoir des Cotonniers as Production and Supply Chain Director, before joining Agnès B. in 2008 in the same role. He then joined SMCP in 2011 as Production and Quality Director at Maje.

Age: 59

Nationality: French

Term of office expiry date:

General Meeting called to approve the financial statements for the year ended December 31, 2027

Participation in permanent Board committees:

Sustainability Committee

Skills:

Environment
International experience
Fashion, luxury and retail expertise

Offices held and duties performed on the registration date of this universal registration document:

Within the Group:

– Maje SAS – Production and Quality Director

Outside the Group:

None

Previous offices held and duties performed during the past five years and no longer held:

Within the Group:

None

Outside the Group:

None

Independent members of the Board of Directors

Six members of the Board of Directors are independent within the meaning of the Afep-MEDEF Code (i.e. more than half of the Board of Directors, in accordance with the requirements of the Afep-MEDEF Code). For more details, see section 4.1.2.3 "Independence of Directors" of this universal registration document.

MAIN AREAS OF EXPERTISE AND EXPERIENCE OF THE DIRECTORS AND OF THE NON-VOTING BOARD MEMBER

The directors and the observer have a range of skills and experience in key areas for the Group, which are identified in the table below:

	ESG					Finance/ Audit/Risk Management	International experience	Innovation/ Digital	Fashion, luxury and retail expertise
	General management	Environment	Social	Governance	M&A				
Christophe Cuvillier	X	X		X	X	X	X	X	X
Isabelle Guichot	X	X	X	X		X	X	X	X
Évelyne Chétrite	X		X	X			X		X
Judith Milgrom	X		X				X		X
Ilan Chétrite	X		X				X	X	X
Orla Noonan	X		X	X	X	X	X	X	
Christophe Chenut	X		X		X				X
Natalia Nikolaidi		X	X		X	X	X		
Xavier Véret	X				X	X		X	
Atalay Atasu		X	X				X	X	X
Lauren Schuller							X		X
Jean Loez		X					X		X

Several members of the Board of Directors have varied and complementary skills in environmental, social and governance (ESG) topics, acquired during their professional experience, which give them an adequate understanding of the matters highlighted in the Sustainability report.

Mr. Ilan Chétrite studied finance at the University of Paris Dauphine prior joining Sandro in 2006. He opened Sandro to male clientele by founding Sandro Homme in 2007. He has been the brand's founding Artistic Director since its inception. He is also a Deputy General Manager of the Company.

Gender balance representation of women and men

As of the date of this universal registration document, the Board of Directors had five female members (not including the Director representing employees who is not taken into account in the calculation of the percentage of women on the Board, in accordance with the applicable legal provisions). It is therefore in compliance with the provisions of Law no. 2011-103 of January 27, 2011 on the balanced representation of men and women on boards of directors and supervisory boards, and on gender equality.

Observer

Mr. Ilan Chétrite is an observer of the Company's Board of Directors. The term of office will expire at the end of the Ordinary General Meeting called to approve the financial statements for the year ended December 31, 2024. It is proposed to the Company's Board of Directors on June 12, 2025, which will be held after the General Meeting of June 12, 2025, that Mr. Ilan Chétrite be reappointed as observer for a period of four years, ending at the end of the Ordinary General Meeting called to approve the financial statements for the year ended December 31, 2028.

Ilan Chétrite, as observer, brings to the Board his expertise in the men's fashion business, in particular his in-depth knowledge of this industry, his creative vision and his mastery of issues related to image management. These skills, in addition to his in-depth knowledge of the Group's DNA, are considered by the Board to be very useful. For these reasons, the presence of Mr. Chétrite as observer on the Board of SMCP is considered highly relevant.

4.1.2.2 RULES GOVERNING THE COMPOSITION OF THE BOARD OF DIRECTORS

The Company's Articles of Association stipulate that the Company's Board of Directors has between three and eighteen members, subject to exceptions provided by law. As of the date of this universal registration document, the Board of Directors has eleven members.

Pursuant to Article 16 of the Articles of Association, the term of office of directors is four years and may be renewed. This term of offices complies with the recommendations of the Afep-MEDEF Code. As an exception, the General Meeting may appoint certain directors for a term of less than four years, or as required, reduce the term of the functions of one or several directors to allow a staggered renewal of terms of office of members of the Board of Directors. Directors must not be more than 75 years of age (it being stipulated that the number of directors of more than 70 years of age may not be greater than one-third of the directors in office) and are subject to the statutory and regulatory provisions applicable to the accumulation of offices.

Directors are elected by the General Meeting on the recommendation of the Board of Directors, which receives proposals from the Nominations and Compensation Committee. They may be dismissed by the Ordinary General Meeting at any time. The term of office of each director expires at the end of the Ordinary General Meeting that has been called to approve the financial statements for the past financial year, and is held in the year the term expires.

4.1.2.3 INDEPENDENCE OF DIRECTORS

Pursuant to the Afep-MEDEF Code used by the Company as a reference, the Board of Directors shall assess the independence of each of its members (or candidates) at the occasion of each renewal or appointment of a member of the Board of Directors and at least once a year prior to the publication of the Company's corporate governance report. During this assessment, the Board of Directors, after consulting the Nominations and Compensation Committee, examines on a case-by-case basis the qualification of each of its members (or candidates) with regard to the criteria of the Afep-MEDEF Code, and the specific position of the person concerned in relation to the Company. The conclusions of this review are presented to shareholders in the annual report and, where appropriate, to the General Meeting at the time of the appointment of Board members.

At its meetings of March 19, 2024 and March 20, 2025, the Nominations and Compensation Committee carried out the annual assessment of the independence of the members of the Board of Directors with regard to all the criteria set by the Afep-MEDEF Code.

The conclusions of the Nominations and Compensation Committee were presented and approved by the Board of Directors at its meetings of March 21, 2024, and March 25, 2025, which concluded that it had six independent members: Mr. Christophe Cuvillier, Ms. Orla Noonan, Mr. Christophe Chenut, Ms. Natalia Nikolaidi, Mr. Xavier Véret and Mr. Atalay Atasu, *i.e.* more than half of the directors, in line with the recommendation of the Afep-MEDEF Code.

The table below summarises the analysis of the situation of each director with regard to the independence criteria of the Afep-MEDEF Code [as of the date of this universal registration document]:

	Criterion 1 Employee or corporate officer during the previous five years	Criterion 2 Cross-directorships	Criterion 3 Material business relationships	Criterion 4 Family ties	Criterion 5 Statutory Auditors	Criterion 6 Term of office of more than 12 years	Criterion 7 Status of non-executive officer	Criterion 8 Status of major shareholder
INDEPENDENT DIRECTORS								
Christophe Cuvillier	●	●	●	●	●	●	●	●
Orla Noona	●	●	●	●	●	●	N/A	●
Christophe Chenut	●	●	●	●	●	●	N/A	●
Natalia Nikolaidi	●	●	●	●	●	●	N/A	●
Xavier Véret	●	●	●	●	●	●	N/A	●
Atalay Atasu	●	●	●	●	●	●	N/A	●
NON-INDEPENDENT DIRECTORS								
Isabelle Guichot	●	●	●	●	●	●	N/A	●
Evelyne Chétrite	●	●	●	●	●	●	N/A	●
Judith Milgrom	●	●	●	●	●	●	N/A	●
Lauren Schuller	●	●	●	●	●	●	N/A	●
Jean Loez	●	●	●	●	●	●	N/A	●
	● Independence criterion met							
	● Independence criterion not met							

4.1.3 Functioning of the Board of Directors

4.1.3.1 INTERNAL RULES

The Board of Directors has internal rules intended to specify the operating conditions of the Board, in addition to the applicable laws and regulations and the Company's Articles of Association. In addition, as appendices to the Board's internal rules, the Audit Committee, the Nominations and Compensation Committee and the Sustainability Committee each have internal rules.

The internal rules of the Board of Directors follow marketplace recommendations aimed at guaranteeing compliance with the basic principles of corporate governance, and in particular those specified in the Afep-MEDEF Code. These internal rules describe the operating method, the powers and attributions of the Board of Directors and specify the ethical rules applicable to its members. In particular, they provide for the rules applicable to the organisation of Board of Directors' meetings, as well as the provisions on the frequency of meetings, the presence of directors and their disclosure obligations regarding the rules on multiple terms of office and conflicts of interest.

The Articles of Association and internal rules of the Company are available on the Company's website (www.smcp.com).

4.1.3.2 MISSIONS

The first priority of the Board of Directors is to determine the strategic directions of the Company. The Board reviews and decides major transactions. The members of the Board of Directors are informed of market changes, the competitive environment and the principal challenges, including in the area of the Company's social and environmental responsibility.

The Board of Directors assumes the tasks and exercises the powers conferred on it by the law, the Company's Articles of Association and the internal rules of the Board of Directors. The Board of Directors determines and addresses the Company's business strategy and objectives and monitors their implementation. Subject to the powers expressly attributed to Shareholders' General Meetings and within the limits of the Company purpose, it deals with any questions concerning the proper running of the Company and settles the business that concerns it through its resolutions.

The Board of Directors also conducts the checks and verifications it deems appropriate and can request the communication of the documents that it considers useful for carrying out its task.

The Board of Directors sets the limits to the powers of the Chief Executive Officer, where applicable, pursuant to its internal rules, by targeting the operations for which the prior authorisation of the Board of Directors is required (for more information, see section 4.1.1 "Management bodies" of this universal registration document).

The Board ensures good corporate governance for the Company and the Group, respecting the socially responsible principles and practices of the Group and of its executive corporate officers and employees.

The Board ensures that shareholders and investors receive relevant, balanced and educational information about the strategy, the business model, the consideration of significant non-financial challenges for the Company, and about its long-term prospects.

The internal rules define the procedures for informing Board members. The rules specify, in particular, that the Chairman of the Board of Directors provides to Board members, with sufficient time, except in emergency situations, the information or the documents in its possession that will allow the members to properly perform their duties. Any member of the Board who has been unable to deliberate with full knowledge has a duty to so inform the Board of Directors and to demand the information crucial to the performance of his or her duties.

4.1.3.3 ORGANISATION AND WORK OF THE BOARD

Meetings and deliberations of the Board of Directors

The internal rules of the Board of Directors stipulate the conditions for Board meetings. Thus, a meeting of the Board of Directors is called by the Chairman or one of the members nominated by the Chairman, by any means in writing. The author of the notice of meeting sets the agenda for the meeting.

The Board meets at least four (4) times a year and at any other time, as often as the interest of the Company requires. The frequency and duration of Board meetings must be such as to allow for in-depth examination and discussion of the matters falling within the jurisdiction of the Board of Directors.

Board of Directors' meetings are chaired by the Chairman. In the event of the absence of the Chairman, Board meetings are chaired by a member of the Board of Directors nominated by the Board of Directors.

Decisions of the Board of Directors are only valid if at least one half of its members are present. For the calculation of a quorum and majority, members are deemed present to attend meetings via videoconferencing or telecommunications that allow them to be identified and guarantee their effective participation, under the conditions set forth by the applicable laws and regulations.

Each meeting of the Board of Directors and the committees established by the Board must be long enough to properly discuss the agenda in detail. Decisions are taken by a simple majority of members present or represented. In the event of a tie vote, the Chairman of the meeting casts the deciding vote.

The internal rules of the Board of Directors also set out the obligations for members of the Board of Directors, as they are described in the Afep-MEDEF Code. In particular, the internal rules stipulate that the members of the Board may receive, when they are nominated, additional training on the specific characteristics of the Company and the companies it controls, their business lines, and their business sector, and that they may periodically hear from the principal executives of the Company, who may be called to attend Board of Directors' meetings.

Finally, it is stipulated that the Board of Directors is regularly informed about the financial position, the cash position, and the

commitments of the Company and the Group, and that the Chairman and the Chief Executive Officer shall continually communicate to the Board members any information about the Company which they learn and which they believe to be useful or pertinent. The Board of Directors and the committees also have the option to hear from experts in the areas which fall within their respective expertise.

Pursuant to the internal rules, each member of the Board of Directors is required to notify the Board of any situation of conflict of interest, even potential, and should refrain from participating in the corresponding deliberation.

Functioning of the Board of Directors

(a) Composition: members of the Board of Directors at December 31, 2024

The table below shows the members of the Board of Directors at December 31, 2024:

Name	Personal information			Experience		Position on the Board				Participation in permanent Board committees		
	Age	Gender	Nationality	Number of terms of office in listed companies	Independence	Date of first appointment	Date of General Meeting approving the last appointment	Expiration date of the term of office	Length of service on the Board	Audit Committee	Nominations and Compensation Committee	Sustainability Committee
Christophe Cuvillier Chairman of the Board of Directors	62	M		1	✓	6/17/2021	6/17/2021	06/12/2025	3.5 years			
Isabelle Guichot Chief Executive Officer Director	60	F		1		8/2/2021	6/9/2022	06/12/2025	3.4 years			
Évelyne Chétrite Deputy General Manager Director	66	F		1		10/05/2017	6/17/2021	06/12/2025	7.2 years			
Judith Milgrom Deputy General Manager Director	60	F		1		10/05/2017	6/17/2021	06/12/2025	7.2 years			
Orla Noonan Director	55	F		3	✓	10/05/2017	6/21/2023	June 2027	7.2 years			
Christophe Chenut Director	62	M		2	✓	1/14/2022	1/14/2022	June 2026	2.9 years			
Natalia Nikolaidi Director	60	F		4	✓	1/14/2022	1/14/2022	June 2026	2.9 years			
Xavier Véret Director	58	M		1	✓	1/14/2022	1/14/2022	June 2026	2.9 years			
Atalay Atasu Director	46	M		1	✓	6/21/2023	6/21/2023	June 2027	1.5 year			
Lauren Schuller Director representing employees - International Development Director	43	F		1		06/18/2018	N/A ^[1]	June 2027	6.5 years			
Jean Loez Director representing employees - Production and Quality Director	59	M		1		3/1/2023	N/A ^[2]	June 2028	1.7 year			

[1] Ms. Lauren Schuller and Mr. Jean Loez were appointed by SMCP's Works Council.

The list of other current offices and biographies of the members of the Board of Directors whose terms of office are underway on April 16, 2025 is indicated in paragraph 4.1.2.1 "Board of Directors".

COMPOSITION AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT

On April 16, 2025, the Board of Directors of the Company was composed of the same members as at December 31, 2024, as listed above (see paragraph 4.1.2.1 "Board of Directors"). In addition, Mr. Ilan Chétrite is an observer of the Company's Board of Directors.

The composition of the Board as of the date of this universal registration document complies with the recommendation of the Afep-MEDEF Code, which recommends that at least half of the proportion of independent directors be in companies without controlling shareholders. The composition of the Board of Directors also complies with the recommendation of the French Financial Markets Authority (AMF) on the diversification of directors in terms of international experience; one third of the Board members are foreign nationals.

Pursuant to Article L. 225-27-1 of the French Commercial Code, and insofar as the Board of Directors consists of more than eight directors, the Board of Directors must include at least two directors representing employees, appointed by the Group's Works Council. Ms. Lauren Schuller was appointed Director representing employees by the Works Council on October 16, 2018, then reappointed by the Works Council on May 12, 2022. Mr. Jean Loez was elected Director representing employees by SMCP's Works Council on February 16, 2023 and took office on March 1, 2023.

AMENDMENTS TO THE BOARD FOLLOWING THE GENERAL MEETING OF JUNE 12, 2025

At the General Meeting to be convened on June 12, 2025, at which the terms of office of Mr. Christophe Cuvillier, Ms. Isabelle Guichot, Ms. Évelyne Chétrite and Ms. Judith Milgrom are due to expire, the shareholders of the Company will be asked to vote on the renewal of Mr. Christophe Cuvillier as (Independent) Director, and Ms. Isabelle Guichot, Ms. Évelyne Chétrite and Ms. Judith Milgrom as Directors.

FIFTH RESOLUTION**(Renewal of the director's term of office of Mr. Christophe Cuvillier)**

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, on the proposal of the Board of Directors, renews, with effect from the end of this General Meeting, the term of office of Mr. Christophe Cuvillier for a term of four years, which will expire at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2028.

SIXTH RESOLUTION**(Renewal of the director's term of office of Ms. Isabelle Guichot)**

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, on the proposal of the Board of Directors, renews, with effect from the end of this General Meeting, the term of office of Ms. Isabelle Guichot for a term of four years, which will expire at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2028.

SEVENTH RESOLUTION**(Renewal of the director's term of office of Ms. Évelyne Chétrite)**

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, on the proposal of the Board of Directors, renews, with effect from the end of this General Meeting, the term of office of Ms. Évelyne Chétrite for a term of four years, which will expire at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2028.

EIGHTH RESOLUTION**(Renewal of the director's term of office of Ms. Judith Milgrom)**

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, on the proposal of the Board of Directors, renews, with effect from the end of this General Meeting, the term of office of Ms. Judith Milgrom for a term of four years, which will expire at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2028.

(b) Activities of the Board of Directors during the financial year ended December 31, 2024

The Board of Directors met six times in 2024. The attendance rate for all directors was 95%.

The following table presents each director's attendance rate at Board of Directors' meetings:

Director	Presence at meetings	Total number of meetings	Individual attendance rate
Christophe Cuvillier	6	6	100%
Isabelle Guichot	6	6	100%
Évelyne Chétrite	5	6	83%
Judith Milgrom	5	6	83%
Orla Noonan	6	6	100%
Christophe Chenut	6	6	100%
Natalia Nikolaidi	6	6	100%
Xavier Véret	6	6	100%
Atalay Atasu	5	6	83%
Lauren Schuller	6	6	100%
Jean Loez	6	6	100%

On **January 26**, 2024, a Board of Directors meeting was held, attended by eight members. The Board examined the following points in particular:

- downward revision of annual targets following a downturn in consumer demand in December 2023.

On **February 28**, 2024, a Board of Directors meeting was held, attended by eleven members. The Board examined the following points in particular:

- financial results 2023;
- proposal for the appointment of a Statutory Auditor in charge of the certification of sustainability information;
- meeting of independent directors.

On **March 21**, 2024, a Board of Directors meeting was held, attended by eleven members. The Board examined the following points in particular:

- 2023 variable compensation and 2024 salaries;
- delivery and award of free shares;
- compensation of Board members;
- composition and assessment of the Board; independence of its members;
- approval of the 2023 universal registration document; corporate governance report;
- consolidated Statement of Non-Financial Performance 2023;
- notice of the Shareholders' Ordinary General Meeting (June 6, 2024).

On **July 25**, 2024, a Board of Directors meeting was held, attended by eleven members, which examined the following points in particular:

- presentation of 2024 first half results;
- approval of the Group business plan;
- change of the investment services provider managing the securities market and the liquidity agreement.

On **October 10**, 2024, a Board of Directors meeting was held, attended by eleven members, which examined the following points in particular:

- approval of the business plan for certain Group brands;
- approval of the opening of points of sale in new countries.

On **December 11**, 2024, a Board of Directors meeting was held, attended by eleven members. The Board examined the following points in particular:

- approval of the 2025 budget;
- delivery and award of free shares;
- approval of the 2025 CSR targets;
- presentation of an inventory of work carried out on reporting obligations related to the entry into force of the Corporate Sustainability Reporting Directive (CSRD) and approval of the double materiality analysis.

(c) Description of the diversity policy for the Board of Directors as defined by Article L. 22-10-10 2° of the French Commercial Code

The Board monitors the balance of its members and the balance on the committees it creates, specifically in terms of diversity (international experience, expertise, etc.). Based on recommendations made by the Nominations and Compensation Committee, directors are appointed at General Meetings or through cooptation, on the basis of their qualifications, their professional skills and their independent mindset.

The directors of the Company come from different backgrounds and have a variety of experience and skills and thus reflect the objectives of the Board.

The presentation of each director's main areas of expertise and experience in paragraph 4.1.2.1 of the universal registration document provides further clarification on their diversity and complementary skill sets.

(d) Information on balanced gender representation on the Board of Directors

As of December 31, 2024, the Board of Directors had five women: Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom, Ms. Orla Noonan and Ms. Natalia Nikolaidi, representing 56% of the directors. Should the Shareholders' General Meeting of June 12, 2025 adopt the fifth to eighth resolutions, under which Mr. Christophe Cuvillier, Ms. Isabelle Guichot, Ms. Évelyne Chétrite and Ms. Judith Milgrom would be reappointed as directors, the Board of Directors would still have five women representing 56% of the directors.

The Board thus is in compliance with the provisions of Law no. 2011-103 of January 27, 2011 on the balanced representation of men and women on Boards of Directors and Supervisory Boards and equal opportunity in business, and the proportion of female directors is greater than 40% as required by Article L. 225-18-1 and et L. 22-10-3 of the French Commercial Code.

Ms. Lauren Schuller and Mr. Jean Loez, directors representing employees, are not included in the calculation of the proportion of directors of each gender pursuant to the provisions of Article L. 225-27-1 of the French Commercial Code.

(e) Annual assessment of the Board of Directors

The internal rules of the Board of Directors stipulate the conditions under which the Board must evaluate its ability to respond to the expectations of shareholders by periodically analysing its composition, organisation and functions. For this purpose, once a year, the Board, on the report of the Nominations and Compensation Committee, must devote one item on its agenda to an evaluation of its operating conditions and procedures, a verification that important questions are properly prepared and discussed within the Board of Directors, and an assessment of the actual contribution of each member to the work of the Board on the basis of the member's expertise and participation in deliberations. This evaluation is performed on the basis of answers to an individual, anonymous questionnaire sent to each member of the Board of Directors once a year.

In 2024, the Board of Directors assessed its composition, organisation and functioning, as well as that of its committees, by means of a questionnaire, then a discussion on the analysis of the questionnaire results during the Board of Directors' meeting of March 21, 2024. The directors considered these elements to be generally satisfactory.

In 2025, the Board of Directors decided to entrust an external service provider with the assessment of its ways of working, based on an online questionnaire and individual interviews conducted in the first quarter of 2025 with all of its members, the Chief Financial Officer and the General Counsel. This assessment shows that the ways of working of SMCP's Board of Directors are satisfactory despite the context of the Group's complex shareholder situation; certain points are the subject of a strong consensus on the part of the directors (including the leadership of its Chairman, cohesion and good understanding between its members, and a good level of efficiency and formality at its meetings). The priority areas identified for improvement are related to the Board's ability to increase the time devoted to discussions related to the Group's strategy and to

supporting its operational transformation, against a background of very rapid changes in the competitive landscape. A presentation summarising the key points of the assessment and the recommendations to be taken into account was made by the external service provider to the Nominations and Compensation Committee on March 20, 2025, and to the Board of Directors on March 25, 2025. A comprehensive report was also submitted to the Board, containing the minutes of the conclusions and recommendations suggested for the attention of the Board, the analysis of the results of the online questionnaire and the comments made during the interviews as well as the assessment of the compliance of SMCP's governance with best governance practices.

Directors' compensation

Under the terms of Article 6 of its internal rules, and on the recommendation of the Nominations and Compensation Committee, the Board of Directors freely distributes among its independent members the compensation set by the Shareholders' General Meeting, taking into account actual attendance at Board and Committee meetings. A portion set by the Board and deducted from this compensation is paid to the independent members of the specialised committees, also taking into account their actual participation in committee meetings.

The criteria for the distribution of directors' compensation are presented in section 4.2.1.3 "Directors' compensation" in this universal registration document.

Observer

Under Article 16 of the Articles of Association, the Board of Directors may appoint one or more observers, up to a maximum of three. The observers are natural or legal persons, selected from among the shareholders or otherwise. The term of office of observers is four years, except in the event of resignation or early termination of office as decided by the Board of Directors. The arrangements for performance of the observers' task, including any compensation, are decided by the Board of Directors. Observers may be re-elected. They are invited to meetings of the Board of Directors and take part in the deliberations in an advisory capacity. The obligations set out in the internal rules of the Board of Directors of the Company applicable to directors and relating to the prevention of conflicts of interest apply, *mutatis mutandis*, to the observers. Observers therefore only attend Board discussions if they are not in a current or potential conflict of interest. They receive the same information as the directors on regulatory matters and are familiar with the regulations relating to market abuse, including the rules for abstaining from disclosing inside information.

The office of observer of Mr. Ilan Chétrite, Deputy General Manager of the Company, will terminate at the end of the Ordinary General Meeting called to approve the financial statements for the financial year ended December 31, 2024. It is proposed to the Company's Board of Directors' meeting of June 12, 2025, to be held after the General Meeting of June 12, 2025, that Mr. Ilan Chétrite be renewed as observer for a period of four years, ending at the end of the Ordinary General Meeting called to approve the financial statements for the year ended December 31, 2028.

4.1.4 Committees

Introduction: specialised committees of the Board of Directors

The Board of Directors of the Company decided to form three Board committees to assist it in some of its missions and to contribute effectively to the preparation of certain specific issues submitted for its approval: an Audit Committee and a Nominations and Compensation Committee, for which the decision was taken at its meeting of October 23, 2017, together with a Sustainability Committee, for which the decision was taken during its meeting of March 23, 2023. Each of these committees has internal rules [attached to the internal rules of the Board of Directors].

At its meeting of January 25, 2022, the Company's Board of Directors decided to create an *Ad Hoc* Committee to oversee a review of the repositioning of its share capital with a view to stabilising and consolidating its shareholding structure, in strict compliance with the interests of the Company, its employees and all of its shareholders.

The meetings of the specialised committees of the Board of Directors are regularly reported to the Board of Directors. The composition of these specialised committees, detailed below, complies with the recommendations of the Afep-MEDEF Code.

4.1.4.1 AUDIT COMMITTEE

(a) Composition of the Audit Committee on December 31, 2024

Under the terms of Article 2 of its internal rules, the Audit Committee is composed of at least three members, at least two thirds of whom are appointed from among the independent members of the Board of Directors on the recommendation of the Nominations and Compensation Committee. The composition of the Audit Committee may be amended by the Board of Directors and, in any event, must be modified in the event of any change in the general composition of the Board of Directors. In particular, pursuant to the applicable legal provisions, members of the Committee must have specific expertise in financial and/or accounting matters. The term of office of the members of the Audit Committee coincides with their term on the Board of Directors. It may be renewed at the same time as their term of office on the Board of Directors.

After careful consideration, the Chairman of the Audit Committee is appointed by the Board of Directors from among the independent members, on the recommendation of the Nominations and Compensation Committee. The Audit Committee may not include corporate officers. The Audit Committee is chaired by an Independent Director.

As of December 31, 2024, the Audit Committee had three members: Ms. Orla Noonan (Chairman and Independent Director), Ms. Natalia Nikolaidi (Independent Director) and Mr. Xavier Vêret (Independent Director).

(b) Missions of the Audit Committee

Under the terms of Article 1 of the internal rules of the Audit Committee, the Committee is tasked with following up on matters relating to the preparation and audit of accounting and financial information, to ensure the effectiveness of the risk monitoring and operational internal control process, and assist the Board of Directors in its mission of control and verification in this area.

In this context, the Audit Committee performs the following primary duties:

- monitor the process for preparing financial information;
- monitor the effectiveness of the systems for internal control, internal audit and risk management relating to financial and accounting information;
- monitor the legal audit of the consolidated and individual financial statements by the Company's Statutory Auditors;
- review regulated agreements; and
- monitor the independence of the Statutory Auditors.

As required by its internal rules, the Audit Committee reports regularly to the Board of Directors on the performance of its missions and informs the Board promptly of any difficulties encountered.

As the guarantor of all of the Company's reporting (financial and non-financial), the Audit Committee is heavily involved in the implementation of the European CSRD Directive (Corporate Sustainability Reporting Directive) and the associated Sustainability Report. Like all members of the Board of Directors, the Committee received CSRD and ESRS training provided by experts from the sustainability audit firm. It reviewed and validated the double materiality analysis, including identifying IROs (impacts, risks and opportunities) deemed material for the Company. More generally, the Audit Committee meets periodically with the members of the Sustainability Committee to monitor the implementation of the CSRD directive within the Group, with regard to both sustainability reporting and the smooth running of the associated action plans, including progress made, key metrics (current levels as well as the target levels that the Company has set for itself). In this context, it works with the Company's CSR and Finance teams as well as the sustainability auditors. It regularly reports to the Board of Directors on progress in implementing the Directive. It therefore met with the Sustainability Committee on March 24, 2025 to review the first Sustainability report and to hear the summary of procedures implemented by the auditors as part of their review of this report. At the end of this meeting, it recommended that the Board of Directors approve this report. Finally, it will monitor the gradual integration of key CSRD-related controls into the audit plan of the Audit and Internal Control Department.

(c) Meetings and work of the Audit Committee during the financial year ended December 31, 2024

As required by its internal rules, the Audit Committee meets at least twice a year when the annual and half-year financial statements are prepared.

The attendance rate at these meetings for all directors was 100%.

The Audit Committee met three times in 2024.

The following table presents each director's attendance rate at Audit Committee meetings:

Director	Presence at meetings	Total number of meetings	Individual attendance rate
Orla Noonan	3	3	100%
Natalia Nikolaidi	3	3	100%
Xavier Véret	3	3	100%

On **February 26**, 2024, the Audit Committee held a meeting attended by three members. The Committee examined the following points in particular:

- presentation of the financial statements for the 2023 financial year;
- Statutory Auditors' report on the financial statements for the 2023 financial year;
- presentation of the Group's risk matrix;
- presentation of the results of the internal control assessment campaign (ICE).
- selection with a view to proposing the appointment of a Statutory Auditor in charge of the certification of sustainability information.

On **July 24**, 2024, the Audit Committee held a meeting attended by three members. The Committee examined the following points in particular:

- presentation of 2024 first half results;
- Statutory Auditors' report on the financial statements for the first half of 2024;
- presentation of the progress of the 2024 audit and internal control plan.

On **December 9**, 2024, the Audit Committee held a meeting attended by three members. The Committee examined the following points in particular:

- presentation of the 2025 audit and internal control plan;
- presentation of an ethics and compliance review;
- presentation of the Statutory Auditors for the year-end closing process;
- presentation of the review of work carried out on the reporting obligations related to the entry into force of the Corporate Sustainability Reporting Directive (CSRD), and approval of the double materiality analysis.

4.1.4.2 NOMINATIONS AND COMPENSATION COMMITTEE

(a) Composition of the Nominations and Compensation Committee as of December 31, 2024

Under the terms of Article 2 of its internal rules, the Nominations and Compensation Committee is composed of at least three members,

over half of whom are independent members of the Board of Directors. They are appointed by the Board of Directors from its members and in consideration of their independence and expertise in the selection and compensation of executive officers of listed companies. The composition of the committee may be modified by the Board of Directors and, in any event, must be modified in the event of any change in the general composition of the Board of Directors. The term of office of the members of the Nominations and Compensation Committee coincides with their term of office on the Board of Directors. It may be renewed at the same time as their term of office on the Board of Directors.

As of December 31, 2024, the Nominations and Compensation Committee had three members, all of whom are independent: Mr. Christophe Cuvillier (Chairman and Independent Director), Mr. Christophe Chenut (Independent Director) and Mr. Atalay Atasu (Independent Director).

(b) Missions of the Nominations and Compensation Committee

Under the terms of Article 1 of its internal rules, the Nominations and Compensation Committee is a specialised committee of the Board of Directors with the principal mission to assist the Board in (i) the composition of the management bodies of the Company and its Group and (ii) to determine and regularly assess all compensation and benefits packages for executive corporate officers or executives of the Group, including all deferred benefits and/or Group voluntary or compulsory severance packages. In the context of its nominations role, the Committee performs the following tasks:

- recommends nominations for members of the Board of Directors, General Management and Board committees; and
- conducts an annual review of the independence of members of the Board of Directors.

In the context of its role relating to compensation, it performs the following tasks:

- reviews and recommends to the Board of Directors all aspects of the components and conditions of compensation for the Group's key executives;
- reviews and recommends to the Board of Directors the method for apportioning directors' compensation; and
- consults for recommendation to the Board of Directors on all other exceptional compensation for special assignments which the Board of Directors may assign, if necessary, to certain of its members.

(c) Activities and work of the Nominations and Compensation Committee during the financial year ended December 31, 2024

Under its internal rules, the Nominations and Compensation Committee meets as often as necessary and, in any event, at least twice a year, prior to the Board of Directors' meeting to decide on the situation of the members of the Board in terms of the independence

criteria adopted by the Company and, in any event, prior to any meeting of the Board of Directors to set the compensation of the executive corporate officers and on the distribution of directors' compensation.

In 2024, the Nominations and Compensation Committee held two meetings.

The attendance rate at these meetings for all directors was 100%.

The following table presents each director's attendance rate at Nominations and Compensation Committee meetings:

Director	Presence at meetings	Total number of meetings	Individual attendance rate
Christophe Cuvillier	2	2	100%
Christophe Chenut	2	2	100%
Atalay Atasu	2	2	100%

• On **March 19**, 2024, the Nominations and Compensation Committee held a meeting attended by three members. The Committee examined the following points in particular:

- achievement of the criteria for the 2023 variable compensation;
- salary increase in 2024;
- compensation of Board members;
- composition and assessment of the Board; independence of its members;
- delivery and award of free shares.

On **December 10**, 2024, the Nominations and Compensation Committee held a meeting attended by three members. The Committee examined the following points in particular:

- 2025 CSR targets in the compensation criteria;
- salary increase in 2025;
- delivery and award of free shares.

4.1.4.3 SUSTAINABILITY COMMITTEE

(a) Composition of the Sustainability Committee on December 31, 2024

Pursuant to Article 2 of its internal rules, the Sustainability Committee is composed of at least four members, half of whom are independent members of the Board of Directors. One member is the Chief Executive Officer of the Company. With the exception of the latter, the members are appointed by the Board of Directors, at the proposal of the Nominations and Compensation Committee. The composition of the committee may be modified by the Board of Directors and, in any event, must be modified in the event of any change in the general composition of the Board of Directors. The term of office of the members of the Sustainability Committee coincides with their terms on the Board of Directors. It may be renewed at the same time as their term of office on the Board of Directors.

The Chairman of the Sustainability Committee is appointed from among the independent members of the Board of Directors.

As of December 31, 2024, the Sustainability Committee had the following four members: Mr. Atalay Atasu (Chairman and Independent Director), Ms. Isabelle Guichot (Director and Chief Executive Officer), Ms. Natalia Nikolaidi (Independent Director) and Mr. Jean Loez (Director representing employees).

(b) Missions of the Sustainability Committee

Under the terms of Article 1 of its internal rules, the Sustainability Committee is responsible for the governance and monitoring of the Group's social, societal and environmental projects and for preparing the Board of Directors' decisions in this area. In this context, the Sustainability Committee's duties include:

- ensuring that issues relating to social, societal and environmental responsibility (such as policies promoting diversity, respect for human rights or reducing the carbon footprint) are taken into account in the Group's strategy and in the implementation of this strategy;
- reviewing the non-financial performance statement (now the "Sustainability Report") relating to social, societal and environmental matters;
- examining the opinions issued by investors, analysts, rating agencies, proxies and other third parties and, where applicable, the potential action plan drawn up by the Company to improve the social, societal and environmental points raised;
- examining and assessing the relevance of the Group's commitments and multi-year strategic goals as presented by General Management, in terms of social and environmental issues, with regard to the challenges specific to its business and objectives, and to monitor their implementation;
- proposing to the Nominations and Compensation Committee the sustainable development objectives to be taken into account in the short- and long-term variable compensation of corporate officers and managers eligible for stock subscription, share purchase or performance share awards;

- examining and assessing the Group's climate strategy and its results every year and, where applicable, ensuring that its objectives or action plan are adapted to any change in this strategy; and
- ensuring that the Group's climate strategy and sustainable development action plans are properly taken into account and modelled in the Group's ambitions, particularly in its budgets and business plans.

As part of the CSRD implementation, the Sustainability Committee participated in the adoption of the double materiality analysis (see Section 4.1.4.1.(b) "Missions of the Audit Committee"). It is also kept informed of the progress of the implementation of sustainability reporting, the indicators presented in the reporting, as well as the associated action plans. CSRD workshops are also organised with members of the Audit Committee and the Sustainability Committee to monitor the implementation of the Directive.

(c) Meetings and work of the Sustainability Committee during the financial year ended December 31, 2024

Under the terms of the Sustainability Committee's internal rules, the Committee meets as often as necessary and, in any event, at least twice a year.

The Sustainability Committee met twice in 2024. The attendance rate at these meetings for all directors was 100%.

The following table presents each director's attendance rate at Sustainability Committee meetings:

Director	Presence at meetings	Total number of meetings	Individual attendance rate
Isabelle Guichot	2	2	100%
Natalia Nikolaidi	2	2	100%
Atalay Atasu	2	2	100%
Jean Loez	2	2	100%

On **March 19, 2024**, the Sustainability Committee held a meeting attended by four members. The Committee examined the following points in particular:

- review of the achievement of the 2023 CSR targets;
- presentation of the CO₂ emissions reduction trajectory.

On **December 9, 2024**, the Sustainability Committee held a meeting attended by four members. The Committee examined the following points in particular:

- 2025 CSR targets in the compensation criteria;
- presentation of the biodiversity strategy;
- presentation of brand community causes;
- as part of the implementation of the CSRD, approval of the double materiality analysis and presentation of the progress of sustainability reporting.

4.1.4.4 AD HOC COMMITTEE

Following the default of European TopSoho S.à r.l. on its exchangeable bonds and the taking of possession by Glas SAS (London Branch), as Trustee in respect of these bonds, of a portion of the shares pledged in this respect (see section 7.1.2 of this universal registration document), an *ad hoc* Committee was created by decision of the Company's Board of Directors on January 25, 2022 to lead a reflection on the recomposition of its share capital in order to stabilise and consolidate its shareholding structure, in strict compliance with the interests of the Company, its employees and all its shareholders. As of the date of this universal registration document, the committee is composed of Ms. Orla Noonan, who is the Chairman, Mr. Christophe Cuvillier and Mr. Xavier Véret, all independent directors within the meaning of the Afep-MEDEF Code.

4.1.5 Declarations relating to members of the administrative and management bodies and conflicts of interest

DECLARATIONS RELATING TO ADMINISTRATIVE BODIES

Ms. Évelyne Chétrite, Director and Deputy General Manager, is the sister of Ms. Judith Milgrom, who is also a Director and Deputy General Manager. Ms. Évelyne Chétrite is also the mother of Mr. Ilan Chétrite, observer and Deputy General Manager of the Company. Other than these circumstances, there are, as far as the Company is aware, no other family relationships between the members of the Board of Directors, the Chief Executive Officer and the Deputy General Managers.

In addition, to the Company's knowledge, over the last five years: (i) no convictions for fraud have been handed down against any member of the Board of Directors, Chief Executive Officer or Deputy General Manager; (ii) there have been no official implications of, and/or no official public sanctions handed down against any member of the Board of Directors, Chief Executive Officer or Deputy General Manager by statutory or regulatory authorities (including designated professional bodies), (iii) no member of the Board of Directors, Chief Executive Officer or Deputy General Manager has been prohibited by a court from acting as a member of an administrative body, a board of directors or a supervisory board of an issuer, or from involvement in the management or conduct of an issuer's business, and (iv) none of the members of the Board of Directors, the Chief Executive Officer or the Deputy General Managers has been associated with a bankruptcy, receivership or liquidation or placing of companies under receivership.

CONFLICTS OF INTEREST

To the Company's knowledge, on the date of registration of this universal registration document, there are no potential conflicts of interest between the corporate obligations of the members of the Company's Board of Directors, Chief Executive Officer and Deputy General Managers, and their private interests and/or other duties.

INFORMATION ON AGREEMENTS OR ARRANGEMENTS BETWEEN THE MEMBERS OF THE BOARD OF DIRECTORS TO THE COMPANY OR ANY OF ITS SUBSIDIARIES

To the best of the Company's knowledge, as of the date of this universal registration document, there is no such arrangement or agreement entered into with the main shareholders or with customers, suppliers or others, under which one of the members of the Board of Directors, the Chief Executive Officer or one of the Deputy General Managers has been selected as a member of an administrative, management or supervisory body or as a member of General Management.

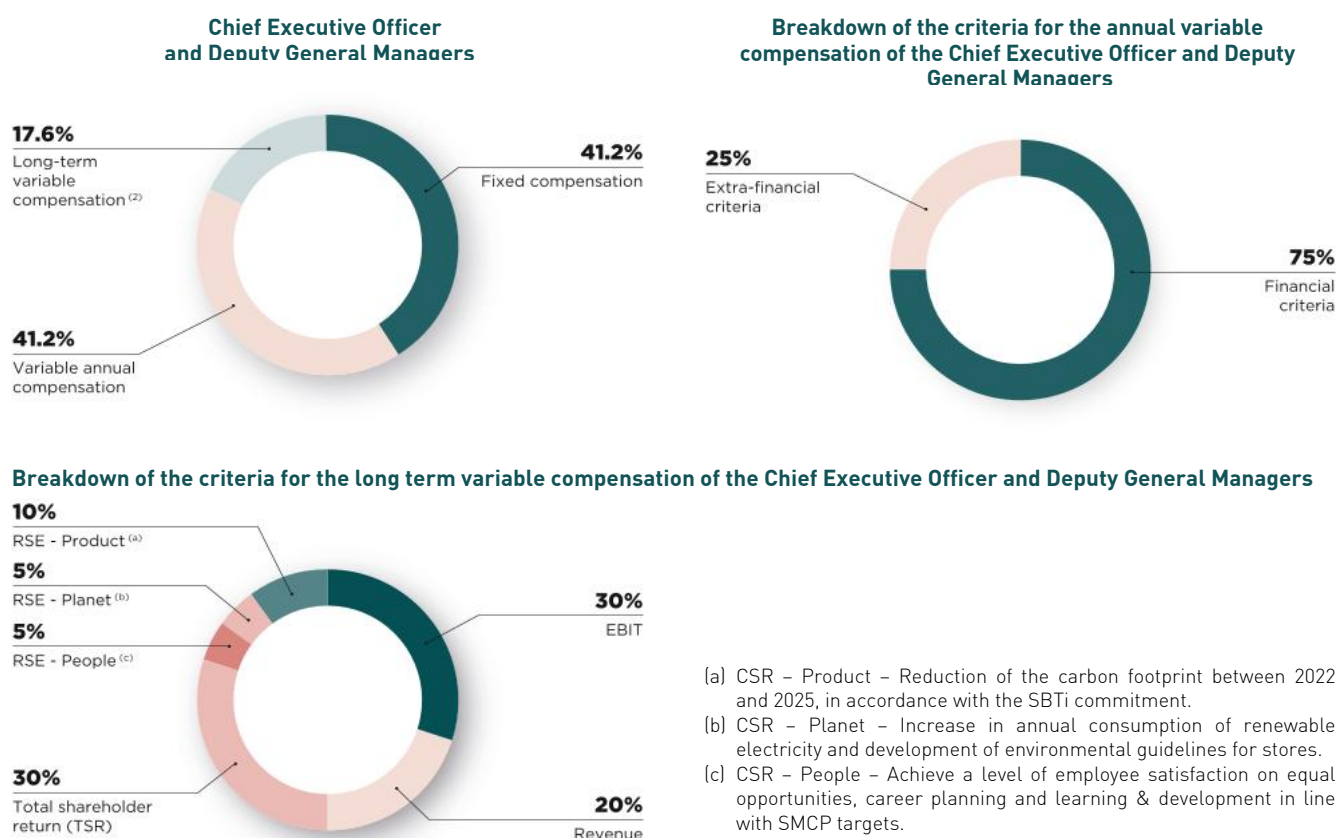
SHARES HELD BY DIRECTORS

Under the terms of Article 16 of the Articles of Association, each member of the Board of Directors (with the exception of directors representing employees) must own at least 100 shares in the Company throughout their term of office and, in any event, within six months of their appointment at the latest. Share loans by the Company to the members of the Board of Directors are not permitted in order to meet this obligation. At the time of taking up their duties, members of the Board of Directors must register the securities they hold. The same applies to any securities subsequently acquired.

Details of the number of shares held by the directors are given in paragraphs 4.1.2.1 and section 7.1.7 of this universal registration document.

4.2 Compensation and benefits

Components of executive corporate officers' compensation in 2025⁽¹⁾



Components of the compensation of the independent members of the Board of Directors in 2025

For their participation in Board meetings				
	Fixed		Variable	
Chairman	€150,000		-	
Other independent directors	€20,000		€4,000 (for each attendance at Board meetings)	
For their participation in permanent Board Committees				
	Fixed		Variable	
Pay	Chairman	Member	Chairman	Member
Audit Committee	€7,000	€4,500	€3,500	€2,000
Nominations and Compensation Committee	€4,000	€2,000	€3,500	€2,000
Sustainability Committee	€4,000	€2,000	€3,500	€2,000

Variable portion depending on:

- Participation in committee meetings (per meeting)
- Role within the committee(s) (member/Chairman)

(1) If the objectives are 100% achieved.

(2) Free performance shares granted on January 1, 2025, valued based on the average SMCP share price over the four months prior to the Board of Directors meeting of December 11, 2024.

4.2.1 Corporate officer compensation policy for 2025

The following items constitute the Company's executive officer compensation policy for 2025. They describe the components of fixed and variable compensation and explain the decision-making process used to calculate, revise, and implement it.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the compensation policy presented below is subject to the approval of the Combined General Meeting which will be convened for June 12, 2025.

Please note that the last annual approval of the Company's executive officer compensation policy took place at the Shareholders' Combined General Meeting on June 6, 2024.

4.2.1.1 BASIC PRINCIPLES

Principles and decision-making processes followed to determine, revise, and implement the Group's compensation policy

The Group's compensation policy, in accordance with the corporate interest of the Company and market practices, aims to guarantee fair and competitive compensation levels while ensuring that strong ties are kept with the Company's performance and maintaining a balance between short-term performance and long-term performance, to support the Group's commercial strategy and permanence.

The Company's corporate officer compensation policy, i.e., as of the date of this universal registration document, Mr. Christophe Cuvillier as Chairman of the Board of Directors, Ms. Isabelle Guichot as Chief Executive Officer, Ms. Évelyne Chérite and Ms. Judith Milgrom, as well as Mr. Ilan Chérite as Deputy General Managers, is approved by the Board of Directors after the review and opinion by the Nominations and Compensation Committee. The Board of Directors applies the recommendations of the Afep-MEDEF Code, amended in December 2022, relating to the compensation of corporate officers of listed companies.

In this context, the Board of Directors defines the principles for determining the compensation of the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy General Managers and the directors of the Company, by ensuring respect for the following principles in particular:

- principle of balance and measurement: the Board ensures that each component of the compensation of the Chairman of the Board of Directors, the Chief Executive Officer, and the Deputy General Managers is clearly explained and that none of these components is disproportionate;
- principle of competitiveness: the Board ensures that the compensation of the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy General Managers is competitive, primarily through sector compensation surveys;
- principle of alignment of interests: the compensation policy is both a management tool designed to attract, motivate and retain the talent

necessary to the Company, but is also a response to the expectations of the shareholders and other stakeholders of the Company, particularly in terms of the link to performance;

- principle of performance: the compensation of the Chief Executive Officer and the Deputy General Managers is closely tied to the Group's performance, primarily using a variable compensation measured every year. The payment of this variable portion depends on the achievement of one or more stringent, clear, straightforward and measurable targets, which are closely tied to the targets of the Group and regularly communicated to the shareholders. It is specified that these variable annual elements result in no minimum guaranteed payment. They are based, subject to approval of the compensation policy by the Shareholders' General Meeting to be convened on June 12, 2025, on one or more financial performance criteria. These financial criteria include (i) the achievement of a target level of Adjusted Group EBIT, Adjusted EMEA EBIT and a Group Free Cash Flow/Adjusted EBITDA ratio for the Chief Executive Officer; (ii) the achievement of a target level of Adjusted Group EBIT, Adjusted EMEA EBIT, Adjusted EBIT of a brand and Group Free Cash Flow/Adjusted EBITDA ratio for the Deputy General Managers. In addition to these financial performance criteria, there are extra-financial targets stemming from the Group's CSR strategy, which aim to increase the proportion of increasingly responsible products and the proportion of recycled materials in collections, to continue to develop the brands' support of community causes, and lastly, to continue to support the deployment of the Disability policy strategy.

The Board of Directors, on the recommendation of the Nominations and Compensation Committee, sets:

- at the end of each financial year, the amount of their gross annual fixed compensation for the following financial year, as well as, where applicable, the ceiling of their annual variable compensation for the following financial year and the performance criteria to be used as the basis for these calculations;
- at the beginning of each financial year, the amount of their annual variable compensation due in respect of the previous financial year depending on whether the relevant targets have been achieved.

In addition, in order to associate the Chief Executive Officer and the Deputy General Managers with the long-term performance, a portion of their compensation consists of free performance shares. This component of long-term compensation is directly related to the Group's performance, since the number of shares vested at the end of the three-year vesting period is a function of performance based on the achievement of targets for Adjusted Group EBIT (30%), Group revenue (20%), TSR (Total Shareholder Return) (30%) and CSR (20%). These CSR targets, the quantitative or qualitative elements of which are set each year by the Board of Directors, are based on the three strategic areas of SMCProduct, SMCPlanet and SMCPeople detailed in section 3.1.3.1 of this universal registration document, which guide the Group in building its CSR strategy.

Lastly, as part of say on pay, the Company's executive officer compensation policy, as well as the components of compensation and benefits granted to corporate officers in the past financial year, described here in Chapter 4, are submitted every year to the Company's General Meeting for approval, as required by the provisions of Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code.

As indicated above, Article L. 22-10-34 I of the French Commercial Code provides for a shareholder vote on the information mentioned in I of Article L. 22-10-9 of the French Commercial Code relating to all compensation paid or allocated during the previous financial year to corporate officers in respect of their term of office. If this resolution is rejected by the General Meeting, the Board of Directors submits a revised compensation policy, taking into account the shareholders' vote, for approval at the next General Meeting. The payment of the sum allocated to the directors and corporate officers for the current financial year is suspended until the approval of the policy. If the General Meeting does not approve the draft resolution presenting the revised compensation policy, the suspended amount cannot be paid, and the same effects as those associated with the non-approval of the draft resolution mentioned above apply.

Accordingly, the information mentioned in this section 4.2 will be submitted to the shareholders' vote in accordance with Article L. 22-10-34 I of the French Commercial Code for approval of the information mentioned in section I of Article L. 22-10-9 of the French Commercial Code (global so-called "ex post say on pay"). For the corporate officers, the information concerning them will also be submitted to the shareholders' vote in accordance with Article L. 22-10-34 II of the French Commercial Code (individual so-called "ex post say on pay"). In the event of rejection of this resolution by the General Meeting, the fixed elements of compensation of the corporate officer in question would remain acquired but the variable elements of compensation would not be paid to him or her.

The Board of Directors may, after consulting the Nominations and Compensation Committee, temporarily depart from the compensation policy for the Chief Executive Officer and/or the Deputy General Managers of the Company in the event of exceptional circumstances beyond the control of General Management described below, having a significant impact on the achievement of one or more performance criteria and insofar as the changes made are in line with the Company's interest and necessary in order to guarantee the Company's sustainability or viability. The Board of Directors, in such an exceptional context, may depart from the performance conditions governing annual variable compensation as well as the elements of long-term variable compensation (in particular free share awards), within the limit of the ceilings that the Board of Directors has already voted on. The events in question include in particular a significant change in the Group's scope or a major economic or health crisis impacting the Group's business sector (with, for example, the closure of the physical points of sale in the countries in which the Group operates, as was the case during the Covid-19 crisis). The exemption option granted to the Board of Directors will enable it to ensure that the implementation of the compensation policy for the Chief Executive Officer and/or Deputy General Managers of the Company is in line with their performance. The Board will justify the use of this exemption, which will be communicated to the shareholders and submitted to their binding vote at the Company's next Annual General Meeting. The exemption would only be temporary, pending approval of the compensation policy amended by the next General Meeting.

In accordance with the terms of the plan regulations, the SMCP Board of Directors may adjust the performance conditions in

exceptional circumstances justifying such a modification, including in the event of economic crises or geopolitical events which have a significant impact on the Group's business sector, or any other circumstances justifying such an adjustment, in order to neutralise, as far as is possible, the consequences of these modifications on the target set during the initial allocation (mainly due to the Covid-19 pandemic on the 2020 financial statements).

For the financial year ended December 31, 2024, the Board of Directors, at its meetings of December 11, 2024 and March 25, 2025, on the proposal of the Nominations and Compensation Committee, decided not to amend the fixed and variable compensation of the Chief Executive Officer and Deputy General Managers of the Company, subject to the changes below.

Significant changes to the compensation policy

The Board of Directors submits to the General Meeting of June 12, 2025:

- a change in the Chief Executive Officer's current compensation policy by proposing to extend by one year (until December 31, 2026) the period during which Ms. Isabelle Guichot could receive the exceptional compensation in the event of an effective transfer of the SMCP shares pledged under a bond issue exchangeable to one or more buyers (see Section 4.2.1.2 (d) "Exceptional compensation").
- a change in the annual variable compensation policy for the Chief Executive Officer and Deputy General Managers, by proposing to include in their financial criteria:
 - a target ratio of Group Free Cash Flow in relation to the Group's Adjusted EBITDA (it being specified that this is the operational free cash flow before interest and corporate income tax), given the Group's desire, in a complex economic context, to continue to place particular emphasis on sound cash management, as was the case in 2024; and
 - an Adjusted EMEA EBIT objective (it being specified that it is the Adjusted Group EBIT less the North America contributory EBIT less the Asia contributory EBIT), given the dominant share of the France/EMEA region in the Group's activity and profitability, and the fact that it is the only region where all four of the Group's brands operate.

The breakdown between financial (75%) and extra-financial (25%) objectives remains unchanged. The breakdown between the financial criteria would change as specified below:

- for the Chief Executive Officer: 40% for the Adjusted Group EBIT (compared to 75% previously), 20% for the Adjusted EMEA EBIT and 15% for the Group Free Cash Flow compared to Adjusted Group EBITDA ratio,
- for the Deputy General Managers: 20% for Adjusted Group EBIT (compared to 50% previously), 20% for the Adjusted EMEA EBIT, 20% for the Adjusted EBIT of the brand (compared to 25% previously) and 15% for the Group Free Cash Flow compared to Adjusted Group EBITDA ratio.

The percentage breakdown between financial outperformances is the same as that between the financial targets. In addition, please note that if the maximum amount of variable compensation is not reached by the effect of financial outperformances, then extra-financial outperformance may be taken into account, within the limit of the maximum amount of variable compensation.

4.2.1.2 COMPENSATION OF CORPORATE OFFICERS

Components of corporate officers' compensation

The compensation structure for corporate officers for the 2025 financial year should be composed of the following three aggregates: fixed compensation, annual variable compensation and long-term variable compensation.

(a) Fixed compensation

The Board of Directors, on the recommendation of the Nominations and Compensation Committee, determines the fixed annual compensation of the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy General Managers with respect in particular to a detailed study of the fixed and variable compensations of the executives of comparable companies performed by the Company.

Mr. Christophe Cuvillier (independent director), Chairman of the Board of Directors, receives gross annual fixed compensation of €150,000 in respect of this office, in accordance with the Board of Directors' decision of March 23, 2022.

The annual fixed portion of the compensation of the Chief Executive Officer and of the Deputy General Managers for 2025 remains unchanged in relation to the compensation adopted by the Board meeting of 2021:

- €800,000 for Ms. Isabelle Guichot in respect of her term of office as Chief Executive Officer of SMCP SA;
- €995,000 for Ms. Évelyne Chétrite, in respect of her term of office as Deputy General Manager of SMCP SA, and the term of office of Évelyne Chétrite SASU as Chairman of Sandro Andy SAS and as Artistic Director of Sandro Femme;
- €995,000 for Ms. Judith Milgrom in respect of her term of office as Deputy General Manager of SMCP SA and in respect of the term of office of Judith Milgrom SASU as Chairman of Maje SAS and as Artistic Director of Maje;

- €650,000 for Mr. Ilan Chétrite, in respect of his terms of office as Deputy General Manager of SMCP SA, as General Manager of Sandro Andy SAS and as Artistic Director of Sandro Homme.

(b) Annual short-term variable compensation

The Chairman of the Board of Directors does not receive any variable compensation in respect of his term of office.

The Board of Directors, on the recommendation of the Nominations and Compensation Committee, uses several criteria to determine the annual variable compensation of the Chief Executive Officer and of the Deputy General Managers. For the 2025 financial year, the Board of Directors, through a decision of March 25, 2025, at the proposal of the Nominations and Compensation Committee, decided to submit to the approval of the General Meeting which will be convened for June 12, 2025, the criteria for determining and awarding the variable compensation under the financial year ended December 31, 2025 as follows:

Breakdown of the criteria for the annual variable compensation of the Chief Executive Officer and Deputy General Managers



Extra-financial criteria defined by the Board of Directors on March 25, 2025:					Weighting of extra-financial criteria
	Isabelle Guichot	Évelyne Chétrite	Judith Milgrom	Ilan Chétrite	
Product	Achieve a 69% share at Group level of more responsible products in the FW 25 & SS 25 collections	Achieve a 68% share of more responsible products in the FW 25 & SS 25 Sandro (W&M) collections	Achieve a 75% share of more responsible products in the Maje FW 25 & SS 25 collections	Achieve a 72% share of more responsible products in the Sandro Men FW 25 & SS 25 collections	60%
Planet	Achieve a 17% share at Group level of recycled materials in the FW 25 & SS 25 collections	Achieve a 15% share of recycled materials in the FW 25 & SS 25 Sandro (W&M) collections	Achieve a 22% share of recycled materials in the FW 25 & SS 25 Maje collections	Achieve a 15% share of recycled materials in the FW 25 & SS 25 Sandro (W&M) collections	7.5%
	Achieve a 16% share at Group level of recycled wool/cashmere in the FW 25 & SS 25 collections	Achieve a 14% share of recycled wool/cashmere in the FW 25 & SS 25 Sandro (W&M) collections	Achieve a 20% share of recycled wool/cashmere in the FW 25 & SS 25 Maje collections	Achieve a 14% share of recycled wool/cashmere in the FW 25 & SS 25 Sandro (W&M) collections	7.5%
People	Sponsor the internal survey and deploy a 360° assessment of feedback	Consolidate the promotion of community causes by each of the brands through external communications			10%
	Support the deployment of the disability policy and be an advocate for the increased recruitment of employees with disabilities by each of the brands in France				15%

Achievement of these performance conditions will be reviewed and noted at the end of the financial year ended December 31, 2025 and paid, if applicable, after the approval of the General Meeting. If the performance conditions are not met, this variable compensation is not paid; in the event of partial achievement, it is paid in proportion to its achievement. In the case of outperformance there may be an increase of the target amount.

MECHANISMS FOR TRIGGERING ANNUAL VARIABLE COMPENSATION CRITERIA

Chief Executive Officer	Level of achievement of targets	% of payment
Financial targets (75%)		
	80%	0%
Adjusted Group EBIT (40%)	84%	8%
	86%	14%
	90%	30%
Adjusted EMEA EBIT (20%)	100%	100%
	110%	150%
	112.5%	159.5%
	<80% of Free Cash Flow target & 80% of ratio	0%
Group free cash flow vs Adjusted Group EBITDA ratio (15%)	84%	8%
	86%	14%
	90%	30%
	100%	100%
	112%	112%

It is specified that: the percentage of payment between each range of the grid is defined by linear interpolation and that the distribution in percentage between the financial outperformances is the same as that between the financial targets.

Chief Executive Officer	Level of achievement of targets	% of payment
Extra-financial targets (25%)		
	-2pts vs Target	80%
Product – share of more responsible products	Target	100%
	+2pt vs Target	120%
	80% vs Target or prev. year (if 80% <prev. yr)	50%
Planet – share of recycled materials	90% vs Target	80%
	Target	100%
	110% vs Target	120%
People – Internal survey and 360° assessment	one out of two achieved	50%
	Target	100%
	Threshold 1	50%
People – Disability policy	Threshold 2	80%
	Objective	100%
	Threshold 3	120%

Extra-financial outperformance may also be taken into account if financial outperformance has not reached the maximum amount of annual variable compensation (i.e. 150%).

Deputy General Managers	Level of achievement of targets	% of payment
Financial targets (75%)		
	80%	0%
Adjusted Group EBIT (20%)	84%	8%
	86%	14%
	90%	30%
Adjusted EMEA EBIT (20 %)	100%	100%
	110%	150%
	112.5%	159.5%
	125%	222%
	<80% of Free Cash Flow target & 80% of ratio	0%
Group free cash flow vs Adjusted Group EBITDA ratio (15%)	84%	8%
	86%	14%
	90%	30%
	100%	100%
	112%	112%

It is specified that: the percentage of payment between each range of the grid is defined by linear interpolation and that the distribution in percentage between the financial outperformances is the same as that between the financial targets.

Deputy General Managers	Level of achievement of targets	% of payment
Extra-financial targets (25%)		
	-2pts vs Target	80%
Product – share of more responsible products	Target	100%
	+2pt vs Target	120%
	80% vs Target or prev. year (if 80% <prev. yr)	50%
Planet – share of recycled materials	90% vs Target	80%
	Target	100%
	110% vs Target	120%
People – Community cause	Target	100%
	Threshold 1	50%
People – Disability policy	Threshold 2	80%
	Target	100%
	Threshold 3	120%

Extra-financial outperformance may also be taken into account if the financial outperformance does not reach the maximum amount of the annual variable compensation (i.e. 200%).

Ms. Isabelle Guichot, Chief Executive Officer:

- Ms. Isabelle Guichot will receive annual variable compensation subject to performance conditions. This annual variable compensation amounts to €800,000 if the targets are achieved. The financial objectives are 40% linked to the achievement of a target level of Adjusted Group EBIT, 20% to the achievement of a target level of Adjusted EMEA EBIT and 15% to the achievement of a target level of the Group Free Cash Flow⁽¹⁾ compared to Adjusted Group EBITDA ratio. The 25% extra-financial objectives are linked to the achievement of objectives defined by the Board of Directors on March 25, 2025. In the event of outperformance, this variable compensation may reach a maximum amount of €1,200,000 gross (i.e. 150% of the target annual variable compensation). Ms. Guichot's variable compensation is also subject to an employment condition at December 31 of each year.

Ms. Évelyne Chétrite, Deputy General Manager:

- Ms. Évelyne Chétrite will receive annual variable compensation paid for the corporate offices of Ms. Évelyne Chétrite as Deputy General Manager of SMCP SA and for Évelyne Chétrite SASU as Chairman of the company Sandro Andy SAS and as Artistic Director of Sandro Femme, subject to performance conditions. This variable compensation amounts to €995,000 if the targets are achieved. In view of the role played by Évelyne Chétrite both in the management of the Sandro brand and as Deputy General Manager of the Group, the financial objectives are linked for 20% to the achievement of a target level of Adjusted Group EBIT, for 20% to reaching a target level of Adjusted EMEA EBIT, for 20% to reaching a target level of Adjusted EBIT for the Sandro brand, and for 15% to achieving a target Group Free Cash Flow⁽¹⁾ compared to Adjusted Group EBITDA ratio. The 25% extra-financial objectives are linked to the achievement of objectives set by the Board of Directors on March 25, 2025. In the event of outperformance, this variable compensation may reach a maximum amount of €1,990,000 gross (i.e. 200% of the target annual variable compensation).

Ms. Judith Milgrom, Deputy General Manager:

- Ms. Judith Milgrom will receive annual variable compensation paid for the corporate offices of Ms. Judith Milgrom as Deputy General Manager of SMCP SA and Judith Milgrom SASU as Chairman of the company Maje SAS and as Artistic Director of Maje, subject to performance conditions. This annual variable compensation amounts to €995,000 if the targets are achieved. In view of the role played by Judith Milgrom both in the management of the Maje brand and as Deputy General Manager of the Group, the financial objectives are linked for 20% to the achievement of a target level of Adjusted Group EBIT, for 20% to reaching a target level of Adjusted EMEA EBIT, for 20% to reaching a target level of Adjusted EBIT for the Maje brand, and for 15% to achieving a target Group Free Cash Flow⁽¹⁾ compared to Adjusted Group EBITDA ratio. The 25% extra-financial objectives are linked to the achievement of objectives set by the Board of Directors on March 25, 2025. In the event of outperformance, this variable compensation may reach a maximum amount of €1,990,000 gross (i.e. 200% of the target annual variable compensation).

Mr. Ilan Chétrite, Deputy General Manager:

- the annual variable compensation for Ilan Chétrite includes compensation paid for the corporate offices of Deputy General Manager of SMCP SA and General Manager of the company Sandro

Andy SAS, and as the Artistic Director of Sandro Homme, subject to performance conditions. This variable compensation amounts to €650,000 if the targets are achieved. The financial objectives are 20% linked to the achievement of a target level of Adjusted Group EBIT, for 20% to the achievement of a target level of Adjusted EMEA EBIT, for 20% to the achievement of a target level of Adjusted EBIT for the Sandro Homme brand, and for 15% to the achievement of a target Group Free Cash Flow⁽¹⁾ compared to Adjusted Group EBITDA ratio. The 25% extra-financial objectives are linked to the achievement of objectives set by the Board of Directors on March 25, 2025. In the event of outperformance, this variable compensation may reach a maximum amount of €1,300,000 gross (i.e. 200% of the target annual variable compensation).

(c) Long-term variable compensation

Since its IPO on the Euronext Paris market in October 2017, the Group has implemented a compensation policy aimed at retaining and motivating the Group's talents and involving executives and employees in its performance, particularly through the free share awards linked to the Group's long-term strategy. The Group awards free performance shares to executive corporate officers and to executives, and to senior executives, expatriates and employees to reward their performance and commitment.

The Chairman of the Board of Directors does not receive any free performance shares.

With regard to the Chief Executive Officer and the Deputy General Managers, the Company intends to maintain the approach specified by the Board of Directors prior to the General Meeting of June 9, 2022, according to which the Board's intention is that the value of the free performance shares granted in respect of a financial year to the Chief Executive Officer and the Deputy General Managers is included, where possible, in a target range of between 80 and 100% of the fixed compensation of the executive concerned and that it is, in any event, capped at 150% of this fixed compensation.

In accordance with Article L. 225-197-1 of the French Commercial Code, the Board of Directors decided that 25% of the ordinary shares from which they could benefit in the event of the fulfilment of the conditions provided for in the various free share award plans must be held in registered form until the termination of their positions as Chief Executive Officer or Deputy General Managers within the Company. The Company specifies that, to its knowledge, no hedging instrument has been set up for the free performance shares until the end of the share holding period set by the Board of Directors.

The number of free shares awarded to each executive officer is detailed in paragraphs 7.1.1 and 7.1.7 of this universal registration document.

ALLOCATION OF FREE PERFORMANCE SHARES UNDER THE JANUARY 2025 PLAN (PLAN NO. 8)

On December 11, 2024, the Board of Directors, on the basis of the authorisation granted by the General Meeting of June 6, 2024, decided to award 1,475,900 free performance shares to certain executive officers and employees of the Group.

Under the January 2025 plan (Plan No. 8), 137,000 free performance shares were awarded to Isabelle Guichot, Chief Executive Officer, 170,400 to Évelyne Chétrite, 170,400 to Judith Milgrom, and 111,300 to Ilan Chétrite, Deputy General Managers.

Vesting and delivery period

Free performance shares awarded under the January 2025 plan will vest and be delivered on March 31, 2028.

⁽¹⁾ Operational free cash flow before interest and income tax.

Employment and performance conditions

In order to be able to acquire the free performance shares award, beneficiaries must fulfil an employment condition of three years from the date of the award. The vesting of these shares is subject to performance conditions which combine internal financial components, an external stock market-related component and a CSR component (internal & external) as shown below:

Trigger thresholds for the January 2025 plan (plan no. 8)

Criteria		Weighting	Minimum	Payment	Target	Payment	Maximum	Payment	Performance assessment condition
Adj. Group EBIT	Internal	30%	N-1	50%	100%	100%	110%	140%	Achievement of budget and previous year (N-1)
Group Revenue	Internal	20%	N-1	50%	100%	100%	110%	140%	Achievement of budget and previous year (N-1)
TSR	External	30%	90%	0%	100%	100%	120%	140%	Evolution of the SMCP TSR for the reference period compared to the median TSR of the companies included in the CAC Mid and Small index
CSR	Internal/ External	10%	-2 pts%	80%	100%	100%	+2 pts	120%	Reduction of the carbon footprint by at least 14.5% between 2022 and 2025 in accordance with the SBTi commitment
		2.5%	60%	50%	100%	100%	140%	120%	Increase to 50% the annual consumption of renewable electricity in the global store scope (excl. concessions) and SMCP USA and SMCP China registered offices
		2.5%	<100%	0%	100%	100%	100%	100%	Development of environmental guidelines in Europe for the selection, renovation and operation of stores
		5%	2 out of 3	80%	3 out of 3	100%	3 out of 3 of which 2 outperformance	120%	Through the internal survey, increase the satisfaction level of our employees on equal opportunities, career planning and learning & development

Clawback clause

Since those of January 2023 (Plan No. 6), the plans contain a clawback clause in order to align the Group's policies with the best practices of corporate governance. The Board of Directors reserves the right to make the final award of all or some of the free shares not yet vested subject to the absence of gross negligence or fraud having a significant negative impact on the Group and giving rise, in particular, to a financial restatement.

Clause accelerating the final award and maintaining the rights of the Deputy General Managers in the event of a transaction resulting in a change of control

For the Deputy General Managers, each plan contains, as of the January 2022 plans (Plan No. 5), in the event of a forced or voluntary departure following a change of control, a mechanism to accelerate the final award of free performance shares and setting forth that all rights to the award are maintained, by deeming that all award conditions are met in full on the date of departure (including any employment and/or performance conditions).

VESTING OF FREE PERFORMANCE SHARES DURING 2025

Description of the January 2022 free performance share plan (Plan no. 5) set up by the Board of Directors on December 14, 2021

On December 14, 2021, the Board of Directors, on the basis of the authorisation granted by the General Meeting of June 17, 2021, decided to award 987,600 free performance shares to certain executive officers and employees of the Group.

Under the January 2022 plan (Plan No. 5), 98,100 free performance shares were awarded to Isabelle Guichot, Chief Executive Officer, 122,000 to Éveline Chérite, 122,000 to Judith Milgrom, and 79,700 to Ilan Chérite, Deputy General Managers.

Description of the free performance share plan of January 2023 (Plan no. 6) set up by the Board of Directors on December 7, 2022

On December 7, 2022, the Board of Directors, on the basis of the authorisation granted by the General Meeting of June 17, 2021, decided to award 1,139,380 free performance shares to certain executive officers and employees of the Group.

Under the January 2023 plan (Plan No. 6), 105,950 free performance shares were awarded to Isabelle Guichot, Chief Executive Officer, 131,780 to Éveline Chérite, 131,780 to Judith Milgrom, and 86,090 to Ilan Chérite, Deputy General Managers.

Description of the January 2024 free performance share plan (Plan No. 7) set up by the Board of Directors on December 12, 2023

On 12 December 2023, the Board of Directors, on the basis of the authorisation granted by the General Meeting of June 21, 2023, decided to award 1,475,600 free performance shares to certain executive officers and employees of the Group.

Under the January 2024 Plan (Plan no. 7), 137,000 free performance shares were awarded to Isabelle Guichot, Chief Executive Officer, 170,400 to Éveline Chérite, 170,400 to Judith Milgrom, and 111,300 to Ilan Chérite, Deputy General Managers.

Description of the free performance share plan of January 2025 (Plan no. 8) set up by the Board of Directors on December 11, 2024

On December 11, 2024, the Board of Directors, on the basis of the authorisation granted by the General Meeting of June 6, 2024, decided to award 1,475,900 free performance shares to certain executive officers and employees of the Group.

Under the January 2025 plan (Plan No. 8), 137,000 free performance shares were awarded to Isabelle Guichot, Chief Executive Officer, 170,400 to Évelyne Chétrite, 170,400 to Judith Milgrom, and 111,300 to Ilan Chétrite, Deputy General Managers.

(d) Exceptional compensation

On March 23, 2023, the Board of Directors of the Company, on the recommendation of the Nominations and Compensation Committee, decided to award exceptional compensation to Ms. Isabelle Guichot, Chief Executive Officer, linked to the completion of the disposal project by GLAS SAS (London Branch) of all or part of the 28,028,163 pledged SMCP shares, given the strong involvement and contribution expected from Ms. Guichot in the execution of this project.

The characteristics and conditions of this exceptional compensation, which were modified by the Board of Directors meetings on December 12, 2023 and December 9, 2024 (see paragraph 4.2.1.1 "Significant changes to the compensation policy"), include the following:

- exceptional compensation for a maximum amount of €600,000 (i.e. 75% of fixed compensation);
- payment of exceptional compensation subject to (i) the actual transfer of all or part of the 28,028,163 SMCP shares pledged, within 24 months of January 1, 2025, (ii) the employment of Ms. Guichot by the Company three months after the completion of the transaction;
- the exceptional compensation, subject to the fulfilment of the aforementioned conditions, will consist of (i) the automatic payment of a fixed amount of €400,000, which will be paid as follows:
 - 100% in the event of the actual transfer of the 28,028,163 pledged SMCP shares;
 - between 20% and 80% in the event of the actual transfer of all or part of the 21,952,315 SMCP shares pledged currently held by Glas SAS (London Branch), it being specified that 20% will be due if 20% of these 21,952,315 shares are transferred, nothing will be due below 20%, that 80% will be due if 100% of these 21,952,315 shares are transferred, and that the amount due will be calculated by linear interpolation between these two thresholds;

and (ii) the payment of a variable amount at the discretion of the Board of Directors of a maximum of €200,000, depending on several criteria including the smooth execution of the project, the quality of the communication and reporting on the progress of the project with the Board of Directors and the *Ad Hoc* Committee, taking into account the interests of the various stakeholders.

- The fixed portion and, where applicable, the variable portion of this exceptional compensation would be paid (i) after the General Meeting following the completion of the transaction, in the event of an actual transfer of the 28,028,163 pledged SMCP shares; (ii) each year after the General Meeting for the portion of the 21,952,315 SMCP shares pledged currently held by Glas SAS (London Branch) transferred during the previous calendar year.

In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, the principle and terms of payment of this exceptional compensation have been approved by the Company's Shareholders' General Meetings held on June 21, 2023 and June 6, 2024 (so-called ex-ante "say on pay"). The change to the period during which this exceptional compensation may be paid (see Section 4.2.1.1 "Basic principles") is subject to the approval of the Company's General Shareholders' Meeting of June 12, 2025. In addition, in accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, this exceptional compensation may only be paid (in full or in part, where applicable) in 2026 or 2027 after approval by the Company's Shareholders' General Meeting called in 2026 or 2027 to approve the financial statements for the financial year ended December 31, 2025 or 2026, as the case may be (so-called ex-post "say on pay").

(e) Benefits in kind

Ms. Isabelle Guichot benefits from a company car and from unemployment insurance for executive corporate officers ("GSC").

Ms. Évelyne Chétrite benefits from a company car.

Ms. Évelyne Chétrite and Ms. Judith Milgrom as well as Mr. Ilan Chétrite can also be covered by the executive corporate officers' unemployment insurance plan ("GSC"), that they did not use in the 2024 financial year, and which they waived for the 2025 financial year.

(f) Pension scheme

Corporate officers are not covered by a supplementary pension scheme.

(g) Severance package and non-compete indemnity

SEVERANCE UNDER A NON-COMPETE CLAUSE

Ms. Isabelle Guichot is bound by a non-compete commitment for a period of one year as from the termination of her functions and in return would receive a gross monthly fixed payment equal to 70% of her monthly compensation calculated on the average of her gross compensation (fixed and variable) received during the 12 months prior to her departure date and for the effective duration of the non-compete commitment. In the event of the application of the non-compete indemnity with the severance package described below and non-compete indemnity, the total of these two payments must not exceed two years of compensation (fixed and theoretical variable received during the last 12 months prior to the date of departure).

Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite are each subject to non-compete commitment for a period of one year from the date of termination of their management duties within the Company. This commitment will be compensated at 70% of their gross fixed and variable, direct and indirect, compensation paid during the 12 months preceding the end date of the positions in question. In the event of the application of the non-compete indemnity with the severance package described below, the total of these two items must not exceed two years of compensation (fixed and theoretical variable received during the last 12 months prior to the date of departure).

SEVERANCE PACKAGE

Ms. Isabelle Guichot benefits from a severance package for a gross amount equal to a maximum 150% of the sum of the gross annual fixed compensation over the last 12 months preceding the end of her term of office and of the annual variable compensation due for the financial year preceding the end of her term of office. It would be due in the event of revocation of her office as Chief Executive Officer, except in the event of dismissal for gross negligence or in the event of resignation from this office for a reason other than in the event of forced departure. Payment of this severance package would be subject to a target Adjusted Group EBIT over the last 12 months measured against the Adjusted Group EBIT achieved for the previous 12 months.

Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite benefit from a severance package for a gross amount equal to 200% of the sum of the gross annual fixed compensation over the last 12 months preceding the end of their term of office, and of the annual variable compensation due for the financial year preceding the end of their term of office. It would be due in the event of dismissal of their office as Deputy General Managers and/or any of their duties performed individually or through any entity that they may control (this currently includes Évelyne Chétrite SASU and Judith Milgrom SASU), within the SMCP Group, in the context of a corporate term of office, except in the event of dismissal for gross negligence or in the event of resignation from this office for a reason other than in the event of a forced

departure. Payment of this severance package would be subject to a target Adjusted Group EBIT over the last 12 months measured against the Adjusted Group EBIT achieved for the previous 12 months.

Payment of this severance payment for Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite is calculated as follows:

Evolution of Adj. Group EBIT over the last 12 months preceding the end of the term of office compared to Adj. Group EBIT of the previous 12 months	% of payment
Less than 50%	No package
Between 50% and 80%	Payment set by linear interpolation between 0% and 100%
80% or more	100% payment

(h) Shares held by corporate officers

The shares held by executive corporate officers are detailed in Sections 7.1.1 "Breakdown of share capital and voting rights" and 7.1.7 "Shareholding and stock options held by members of the Board of Directors and Executive Management".

TABLE SUMMARISING THE FIXED AND VARIABLE COMPONENTS OF TOTAL COMPENSATION OF THE CHIEF EXECUTIVE OFFICER AND THE DEPUTY GENERAL MANAGERS

			Ms. Isabelle Guichot, Chief Executive Officer of SMCP SA	Ms. Évelyne Chétrite, Deputy General Manager of SMCP SA and via Évelyne Chétrite SASU, Chairman of Sandro Andy SAS and Artistic Director of Sandro Femme	Ms. Judith Milgrom, Deputy General Manager of SMCP SA and via Judith Milgrom SASU, Chairman of Maje SAS and Artistic Director of Maje	Mr. Ilan Chétrite, Deputy General Manager of SMCP SA, General Manager of Sandro Andy SAS and Artistic Director of Sandro Homme	
Elements of compensation	Principle						
Fixed compensation	Received in 12 monthly payments	Amount	€800,000	€995,000	€995,000	€650,000	
Annual variable compensation (short-term)	Paid during the following year in respect of the year for which the performance was recorded. In accordance with the provisions of the French Commercial Code, the payment of variable compensation is subject to approval of the compensation components by an Ordinary General Meeting.	Target amount	€800,000	€995,000	€995,000	€650,000	
		Maximum amount	€1,200,000 (150% of the target amount)	€1,900,000 (200% of the target amount)	€1,900,000 (200% of the target amount)	€1,300,000 (200% of the target amount)	
		Determination criteria	• 40% Adj. Group EBIT • 20% Adj. EMEA EBIT • 15% Group Free Cash Flow vs Adj. Group EBITDA ratio • 25% extra-financial targets • employment condition at December 31, 2025	• 20% Adj. Group EBIT • 20% Adj. EMEA EBIT • 20% Adj. Sandro brand EBIT • 15% Group Free Cash Flow vs Adj. Group EBITDA ratio • 25% extra-financial targets	• 20% Adj. Group EBIT • 20% Adj. EMEA EBIT • 20% Adj. Maje brand EBIT • 15% Group Free Cash Flow vs Adj. Group EBITDA ratio • 25% extra-financial targets	• 20% Adj. Group EBIT • 20% Adj. EMEA EBIT • 20% Adj. Sandro Homme brand EBIT • 15% Group Free Cash Flow vs Adj. Group EBITDA ratio • 25% extra-financial targets	
		Achievement of conditions	If the performance conditions are not met, this variable compensation is not paid; in the event of partial achievement, it is paid in proportion to the performance.				
		Determination criteria	The number of free performance shares vested to each beneficiary at the end of a three-year vesting period varies according to the level of achievement of the financial, stock market and CSR objectives detailed in section 4.2.1.2 (c) above.				
Variable long-term compensation (free performance shares)	Award of free performance shares in the Company to retain and align the achievement of long- term objectives and value creation for the Group and its shareholders.	Forced/voluntary departure due to a change in control	N/A	Mechanism to accelerate the final award of said shares and maintain all rights by deeming that all award conditions (including any employment and/or performance conditions) have been met.			
		Clawback clause	The Board of Directors reserves the right to make the final award of all or some of the free shares not yet vested subject to the absence of gross negligence or fraud having a significant negative impact on the Group and giving rise, in particular, to a financial restatement.				
Exceptional compensation	Subject to the completion of the sale by Glas SAS (London Branch) of all or part of the 28,028,163 pledged SMCP shares within a period of 24 months of January 1, 2025 and employment within the Company three months after the completion of the transaction (see section 4.2.1.2.) (d) "Exceptional compensation".	Target amount	Maximum of €600,000, of which €400,000 paid automatically subject to fulfilment of the conditions and €200,000 paid at the discretion of the Board of Directors on the basis of several criteria.	N/A	N/A	N/A	
Non- compete indemnity	Compensation for the non-compete commitment over 1 year.	Amount	70% of the average gross fixed and variable compensation received in the last 12 months.	70% of gross fixed and variable, direct and indirect, compensation during the last 12 months (preceding the end of the term of office in question).			
Severance package	Payment of severance pay in the event of termination of their duties.	Amount	150% of the sum of the gross annual fixed compensation over the 12 months preceding the end of the corporate term of office and the variable compensation due for the financial year preceding the end of the corporate term of office.	200% of the sum of the gross annual fixed compensation over the 12 months preceding the end of the corporate term of office and the annual variable compensation due for the financial year preceding the end of the corporate term of office.			
		Performance conditions	Change in Adj. Group EBIT for the last 12 months preceding the end of the term of office, compared to the Adj. Group EBIT for the previous 12 months				
		Exclusion	In the event of dismissal for gross misconduct, resignation for any reason other than forced departure.				
		Severance package and non-compete indemnity cap	In the event of cumulative severance and non-compete indemnities, the total of these will be capped at two years.				
Benefits in kind			• Company car • Unemployment insurance for executive corporate officers ("GSC")	• Company car	N/A	N/A	
Long-term compensation (stock options or share purchase options)				NA			
Pension scheme				N/A			

*Draft resolutions prepared by the Board of Directors
pursuant to Article L. 22-10-8 of the French Commercial Code
submitted to the Combined General Meeting of June 12, 2025*

FOURTEENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-8 II of the French Commercial Code, of the compensation policy for Mr. Christophe Cuvillier in his capacity as Chairman of the Board of Directors)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy for Mr. Christophe Cuvillier, Chairman of the Board of Directors, as presented in the aforementioned report.

FIFTEENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-8 II of the French Commercial Code, of the compensation policy for Ms. Isabelle Guichot in her capacity as Chief Executive Officer)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy for Ms. Isabelle Guichot, Chief Executive Officer, as presented in the aforementioned report.

SIXTEENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-8 II of the French Commercial Code, of the compensation policy for Ms. Évelyne Chétrite in her capacity as Deputy General Manager)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy for Ms. Évelyne Chétrite, Deputy General Manager, as presented in the aforementioned report.

SEVENTEENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-8 II of the French Commercial Code, of the compensation policy for Ms. Judith Milgrom in her capacity as Deputy General Manager)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy for Ms. Judith Milgrom, Deputy General Manager, as presented in the aforementioned report.

EIGHTEENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-8 II of the French Commercial Code, of the compensation policy for Mr. Ilan Chétrite in his capacity as Deputy General Manager)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy for Mr. Ilan Chétrite, Deputy General Manager, as presented in the aforementioned report.

4.2.1.3 DIRECTORS' COMPENSATION

Components of directors' compensation

As recommended by the Nominations and Compensation Committee, the Board of Directors distributes the compensation set by the General Meeting to its independent members, taking into account actual attendance at Board and Committee meetings. A portion fixed by the Board and taken from this compensation is paid to the members of the committees, also taking into consideration the effective participation of those members in said committees.

In response to comments raised by the main proxy advisory agencies notably at the Annual General Meeting of June 17, 2021, and in line with the best practices followed by a certain number of listed companies, SMCP decided to modify the compensation of its independent directors from 2022 by reducing the annual fixed compensation allocated to them for the Board and the committees and by increasing the variable compensation so that the effective participation in the Board and its committees constitutes a greater part of their compensation. SMCP directors who are not independent are not remunerated. The compensation policy for directors in 2025 is unchanged compared to that of 2024.

The Board of Directors has set a maximum amount of €600,000 for the compensation that may be paid to independent directors for the 2025 financial year.

For their participation on the Board, an annual fixed compensation of €20,000 is allocated to each independent director as compensation for their duties. In addition to this basic compensation, a variable amount of €4,000 is due for each Board meeting attended by the independent director concerned.

For their participation in Board Committees:

- (i) with regard to the Audit Committee, annual fixed compensation of €4,500 (increased to €7,000 for the Chairman of the Audit Committee) is awarded to each independent director as compensation for their duties. In addition to this fixed compensation, a variable amount of €2,000 (increased to €3,500 for the Chairman of the Audit Committee) is payable for each Audit Committee meeting attended by the independent director concerned;

- (ii) with regard to the Nominations and Compensation Committee, annual fixed compensation of €2,000 (increased to €4,000 for the Chairman of the Nominations and Compensation Committee) is awarded to each independent director as compensation for their duties. In addition to this fixed compensation, a variable amount of €2,000 (increased to €3,500 for the Chairman of the Nominations and Compensation Committee) is payable for each Nominations and Compensation meeting attended by the independent director concerned;
- (iii) with regard to the Sustainability Committee, annual fixed compensation of €2,000 (increased to €4,000 for the Chairman of the Sustainability Committee) is awarded to each independent director as compensation for their duties. In addition to this fixed compensation, a variable amount of €2,000 (increased to €3,500 for the Chairman of the Sustainability Committee) is payable for each Sustainability Committee meeting attended by the independent director concerned;
- (iv) concerning the *Ad Hoc* Committee, a maximum total fixed compensation of €21,000 (increased to €30,000 for the Chairman of the *Ad Hoc* Committee), payable by thirds as and when the steps related to the recomposition of the Company's share capital in order to stabilise and consolidate its shareholding structure are completed, is allocated to each independent director as compensation for their duties;
- (v) workshops are held with the members of the Audit Committee and the Sustainability Committee to ensure the proper implementation of the obligations related to Directive (EU) 2022/2464 known as the "CSRD" (Corporate Sustainability Reporting Directive); variable compensation of €1,000 is awarded to each independent director for each workshop in which he or she participates.

4.2.2 Compensation of corporate officers in 2024

In accordance with Article L. 22-10-34, II of the French Commercial Code, the Annual General Meeting will vote on a draft resolution concerning the information mentioned in sub-section I of Article L. 22-10-9 of the French Commercial Code, which must be included in the corporate governance report and includes the components of compensation paid in respect of the term of office for the past financial year or awarded in respect of the term of office held for the same year, i.e. the financial year ended on December 31, 2024. These components are presented in sections 4.2.2.1 and 4.2.2.2 below for executive corporate officers and directors.

Furthermore, pursuant to Articles L. 22-10-34 and L. 22-10-8 of the French Commercial Code, the Annual General Meeting decides on the fixed, variable and exceptional components of the total compensation and benefits of any kind due or awarded for the prior financial year. These components are presented in section 4.2.2.1 below for the Company's Chief Executive Officer and Deputy General Managers.

The Combined General Meeting which will be convened for June 12, 2025 will be asked to approve, under separate resolutions, the information mentioned in sub-section I of Article L. 22-10-9 of the French Commercial Code, including the components presented in sections 4.2.2.1 and 4.2.2.2 below, and the components of compensation paid or awarded under the financial year ended December 31, 2024 to the Chief Executive Officer and Deputy General Managers, pursuant to the principles and criteria for compensation approved by the Shareholders' Combined General Meeting of June 6, 2024, as presented in section 4.2.2.1 below.

The compensation structure for executive corporate officers for the 2024 financial year should be composed of the following three aggregates: fixed compensation, annual variable compensation (short-term) and long-term variable compensation.

4.2.2.1 CHIEF EXECUTIVE OFFICER AND DEPUTY GENERAL MANAGERS

Components of the compensation paid or awarded in respect of the financial year ended December 31, 2024 to Ms. Isabelle Guichot, Chief Executive Officer

Fixed compensation	€800,000
Annual variable compensation	€134,000 ^[1]
Exceptional compensation	None ^[2]
Compensation as director	None
Free shares – Preferred shares	137,000 free performance shares subject to an employment condition of three years from the date of award and to performance conditions: • internal financial targets (30% Adj. Group EBIT and 20% Group revenue) • external stock market target (Total Shareholder Return of 30%) • CSR targets (10% internal and 10% external).
Pension scheme	None
Benefits in kind	€17,213 ^[3]

[1] The achievement of the performance conditions for annual variable compensation is detailed in the tables below.

[2] As the conditions for triggering the exceptional compensation, approved by the General Meeting of June 21, 2023, were not met, no payment was made in 2024.

[3] In 2024, Ms. Guichot had a company car and was covered by unemployment insurance for executive corporate officers ("GSC").

Components of the compensation paid or awarded in respect of the financial year ended December 31, 2024 to Ms. Évelyne Chétrite, Deputy General Manager

Fixed compensation	€995,000
Annual variable compensation	€208,453 ⁽¹⁾
Exceptional compensation	None
Compensation as director	None
Free shares – Preferred shares	170,400 free performance shares subject to an employment condition of three years from the date of award and to performance conditions: • internal financial targets (30% Adj. Group EBIT and Group 20% revenue) • external stock market target (Total Shareholder Return of 30%) • CSR targets (10% internal and 10% external).
Pension scheme	None
Benefits in kind	€5,352 ⁽²⁾

(1) The achievement of the performance conditions for annual variable compensation is detailed in the tables below.

(2) In 2024, Ms. Chétrite had a company car.

Components of the compensation paid or awarded in respect of the financial year ended December 31, 2024 to Ms. Judith Milgrom, Deputy General Manager

Fixed compensation	€995,000
Annual variable compensation	€211,438 ⁽¹⁾
Exceptional compensation	None
Compensation as director	None
Free shares – Preferred shares	170,400 free performance shares subject to an employment condition of three years from the date of award and to performance conditions: • internal financial targets (30% Adj. Group EBIT and 20% Group revenue) • external stock market target (Total Shareholder Return of 30%) • CSR targets (10% internal and 10% external).
Pension scheme	None
Benefits in kind	None

(1) The achievement of the performance conditions for annual variable compensation is detailed in the tables below.

Components of compensation paid or awarded in respect of the financial year ended December 31, 2024 to Mr. Ilan Chétrite, Deputy General Manager

Fixed compensation	€650,000
Annual variable compensation	€155,675 ⁽¹⁾
Exceptional compensation	None
Compensation as director	None
Free shares – Preferred shares	111,300 free performance shares subject to an employment condition of three years from the date of award and to performance conditions: • internal financial targets (30% Adj. Group EBIT and 20% Group revenue) • external stock market target (Total Shareholder Return of 30%) • CSR targets (10% internal and 10% external).
Pension scheme	None
Benefits in kind	None

(1) The achievement of the performance conditions for annual variable compensation is detailed in the tables below.

Details concerning the annual variable compensation awarded in respect of the 2024 financial year

LEVEL OF ACHIEVEMENT OF 2024 TARGETS BY MS. ISABELLE GUICHOT, CHIEF EXECUTIVE OFFICER

	Weighting	Achieved*	% of payment	Amount in euros	Description	Comments
Financial target	75%					
Adj. Group EBIT	75%	47%	0%	-	Adj. Group EBIT target set for 2024	The Adj. Group EBIT target for 2024 was achieved at 47% of the 2024 budget.
Extra-financial target	25%					
CSR – Product	8.75%	109.3%	120%	€84,000	Achieve a 62.7% share of more responsible products in the FW 24 & SS 25 collections	The share of more responsible products in the FW 24 & SS 25 collections is 68.50%
CSR – Planet	10%	0%	0%	-	2024 CDP (Carbon Disclosure Project) minimum category A ranking	2024 CDP ranking in category B ⁽¹⁾
CSR – People	6.25%	100%	100%	€50,000	Sponsor the implementation and deployment of CSRD at Group level	The Audit Committee noted that, under the leadership of Ms. Guichot, the sustainability report was prepared in accordance with the CSRD implementation and deployment plan. The auditors, after auditing the Sustainability report, confirmed its legal compliance with the CSRD.
TOTAL	100%		16.8%	€134,000		

LEVEL OF ACHIEVEMENT OF 2024 TARGETS BY MS. ÉVELYNE CHÉTRITE, DEPUTY GENERAL MANAGER

	Weighting	Achieved*	% of payment	Amount in euros	Description	Comments
Financial indicator	75%					
Adj. Group EBIT	50%	47%	0%	-	Adj. Group EBIT target set for 2024	The Adj. Group EBIT target for 2024 was achieved at 47% of the 2024 budget
Adj. Sandro EBIT	25%	82.9%	5.8%	€14,428	Adj. Sandro EBIT target set for 2024	The Adj. Sandro EBIT target for 2024 was achieved at 82.9% of the 2024 budget.
Extra-financial indicators	25%					
CSR – Product	12.5%	100.9%	106%	€131,837	Achieve a 65% share of more responsible products in the Sandro FW 24 & SS 25 collections	The share of more responsible products in the Sandro FW 24 & SS 25 collections is 65.6%.
CSR – Planet	6.25%	0%	0%	-	2024 CDP (Carbon Disclosure Project) minimum category A ranking	2024 CDP ranking in category B ⁽¹⁾
CSR – People	6.25%	100%	100%	€62,188	- Deploy the diversity and inclusion policy at Group and brand level including disability policy and parenting policy - Promote and support the community causes dear to each brand	- The Diversity and Inclusion policy has been deployed and communicated in all countries. - Sandro's community cause "promoting equal opportunities and the transfer of <i>savoir-faire</i> in fashion professions" was developed primarily in collaboration with the Maison Mode Méditerranée endowment fund, which supports fashion and culture professionals through general interest projects.
TOTAL	100%		21%	€208,453		

* The level of achievement of these quantifiable criteria has been precisely established but is not made public for reasons of confidentiality.

(1) The decrease in the CDP score is due to the change in the assessment methodology, which now requires that at least 95% of Scope 1 greenhouse gas emissions be verified by an external third party to be able to obtain the assessment A- rating. This verification threshold was not achieved in the 2023 reporting. Apart from this aspect, the SMCP score improved in all the categories of the CDP questionnaire and the reduction of the Group's GHG emissions (-19.8% in absolute value between 2022 and 2024) is ahead of its SBTi reduction trajectory.

LEVEL OF ACHIEVEMENT OF 2024 TARGETS BY MS. JUDITH MILGROM, DEPUTY GENERAL MANAGER

	Weighting	Achieved*	% of payment	Amount in euros	Description	Comments
Financial targets	75%					
Adj. Group EBIT	50%	47%	0%	-	Adj. Group EBIT target set for 2024	The Adj. Group EBIT target for 2024 was achieved at 47% of the 2024 budget.
Adj. Maje EBIT	25%	71.1%	0%	-	Adj. Maje EBIT target set for 2024	The Adj. Maje EBIT target for 2024 was achieved at 71.1% of the 2024 budget.
Extra-financial targets	25%					
CSR – Product	12.5%	117.7%	120%	€149,250	Achieve a 62% share of more responsible products in the Maje FW 24 & SS 25 collections	The share of more responsible products in the Maje FW 24 & SS 25 collections is 73%.
CSR – Planet	6.25%	0%	0%	-	2024 CDP (Carbon Disclosure Project) minimum category A ranking	2024 CDP ranking in category B ⁽¹⁾
CSR – People	6.25%	100%	100%	€62,188	- Deploy the diversity and inclusion policy at Group and brand level including disability policy and parenting policy - Promote and support the community causes dear to each brand	- The Diversity and Inclusion policy has been deployed and communicated in all countries. - Maje's community "female empowerment" cause was developed by committing to the Rêv'Elles association, which works to inspire, support and motivate young women from lower-income neighbourhoods in their personal and professional development.
TOTAL	100%		21.3%	€211,438		

LEVEL OF ACHIEVEMENT OF MR. ILAN CHÉTRITE, DEPUTY GENERAL MANAGER

	Weighting	Achieved*	% of payment	Amount in euros	Description	Comments
Financial targets	75%					
Adj. Group EBIT	50%	47%	0%	-	Adj. Group EBIT target set for 2024	The Adj. Group EBIT target for 2024 was achieved at 47% of the 2024 budget.
Adj. Sandro Homme EBIT	25%	85.2%	10.8%	€17,550	Adj. Sandro Homme EBIT target set for 2024	The Adj. Sandro Homme EBIT target for 2024 was achieved at 85.2% of the 2024 budget.
Extra-financial targets	25%					
CSR – Product	12.5%	103.3%	120%	€97,500	Achieve a 70% share of more responsible products in the Sandro Homme FW 24 & SS 25 collections	The share of more responsible products in the Sandro Homme FW 24 & SS 25 collections is 72.3%.
CSR – Planet	6.25%	0%	0%	-	2024 CDP (Carbon Disclosure Project) minimum category A ranking	2024 CDP ranking in category B ⁽¹⁾
CSR – People	6.25%	100%	100%	€40,625	- Deploy the diversity and inclusion policy at Group and brand level including disability policy and parenting policy - Promote and support the community causes dear to each brand	- The Diversity and Inclusion policy has been deployed and communicated in all countries. - Sandro's community cause "promoting equal opportunities and the transfer of savoir-faire in fashion professions" was developed primarily in collaboration with the Maison Mode Méditerranée endowment fund, which supports fashion and culture professionals through general interest projects.
Sub-total	100%		24%	€155,675		

* The level of achievement of these quantifiable criteria has been precisely established but is not made public for reasons of confidentiality.

(1) The decrease in the CDP score is due to the change in the assessment methodology, which now requires that at least 95% of Scope 1 greenhouse gas emissions be verified by an external third party to be able to obtain the assessment A- rating. This verification threshold was not achieved in the 2023 reporting. Apart from this aspect, the SMCP score improved in all the categories of the CDP questionnaire and the reduction of the Group's GHG emissions (-19.8% in absolute value between 2022 and 2024) is ahead of its SBTi reduction trajectory.

Summary table of compensation and shares and options awarded to each executive officer: (Table 1 based on the recommendations of the Afep-MEDEF Code)

CHRISTOPHE CUVILLIER, CHAIRMAN OF THE BOARD OF DIRECTORS

<i>(Amount in euros)</i>	2023 financial year	2024 financial year
Compensation due for the financial year <i>(detailed in Table 2)</i> ⁽¹⁾	€161,000	€161,000
Valuation of multi-year variable compensation paid during the financial year	€0	€0
Valuation of the options awarded during the financial year <i>(detailed in Table 4)</i>	None	None
Valuation of the free shares awarded <i>(detailed in Table 6)</i>	None	None
TOTAL	€161,000	€161,000

(1) Christophe Cuvillier receives compensation for his duties as Chairman of the Board of Directors and Chairman of the Nominations and Compensation Committee.

ISABELLE GUICHOT, CHIEF EXECUTIVE OFFICER

<i>(Amount in euros)</i>	2023 financial year	2024 financial year
Compensation due for the financial year <i>(detailed in Table 2)</i>	€1,046,464	€951,213
Valuation of multi-year variable compensation paid during the financial year	€0	€0
Valuation of the options awarded during the financial year <i>(detailed in Table 4)</i>	None	None
Valuation of the free shares awarded <i>(detailed in Table 6)</i>	€405,504	€442,510
TOTAL	€1,451,968	€1,393,723

ÉVELYNE CHÉTRITE, DEPUTY GENERAL MANAGER

<i>(Amount in euros)</i>	2023 financial year	2024 financial year
Compensation due for the financial year <i>(detailed in Table 2)</i>	€1,286,280	€1,208,805
Valuation of multi-year variable compensation paid during the financial year	€0	€0
Valuation of the options awarded during the financial year <i>(detailed in Table 4)</i>	None	None
Valuation of the free shares awarded <i>(detailed in Table 6)</i>	€504,364	€550,392
TOTAL	€1,790,644	€1,759,197

JUDITH MILGROM, DEPUTY GENERAL MANAGER

<i>(Amount in euros)</i>	2023 financial year	2024 financial year
Compensation due for the financial year <i>(detailed in Table 2)</i>	€1,281,063	€1,206,437
Valuation of multi-year variable compensation paid during the financial year	0	0
Valuation of the options awarded during the financial year <i>(detailed in Table 4)</i>	None	None
Valuation of the free shares awarded <i>(detailed in Table 6)</i>	€504,364	€550,392
TOTAL	€1,785,426	€1,756,829

ILAN CHETRIT, DEPUTY GENERAL MANAGER

(Amount in euros)	2023 financial year	2024 financial year
Compensation due for the financial year (detailed in Table 2)	€866,125	€805,675
Valuation of multi-year variable compensation paid during the financial year	€0	€0
Valuation of the options awarded during the financial year (detailed in Table 4)	None	None
Valuation of the free shares awarded (detailed in Table 6)	€329,435	€359,499
TOTAL	€1,195,560	€1,164,174

Summary of compensation paid to each executive officer (Table 2 based on the recommendations of the Afep-MEFEF Code)

CHRISTOPHE CUVILLIER, CHAIRMAN OF THE BOARD OF DIRECTORS

(Amount in euros)	2023 financial year		2024 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation ^[1]	€154,000	€147,945	€154,000	€154,000
Annual variable compensation ^[2]	€7,000	€14,500	€7,000	€7,000
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Benefits in kind	None	None	None	None
TOTAL	€161,000	€162,445	€161,000	€161,000

[1] Christophe Cuvillier receives fixed compensation for his duties as Chairman of the Board of Directors and Chairman of the Nominations and Compensation Committee.

[2] Christophe Cuvillier receives variable compensation for his duties as Chairman of the Nominations and Compensation Committee.

ISABELLE GUICHOT, CHIEF EXECUTIVE OFFICER

(Amount in euros)	2023 financial year		2024 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation ^[1]	€800,000	€800,000	€800,000	€800,000
Annual variable compensation ^[2]	€230,000	€302,000	€134,000	€230,000
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Benefits in kind ^[3]	€16,464	€29,422	€17,213	€17,213
TOTAL	€1,046,464	€1,131,422	€951,213	€1,047,213

[1] The annual fixed compensation of Ms. Isabelle Guichot was set at €800,000 for 2023 and for 2024 in respect of her term of office as Chief Executive Officer of SMCP SA.

[2] The annual variable compensation of Ms. Isabelle Guichot includes compensation paid for the corporate term of office of Ms. Isabelle Guichot as Chief Executive Officer of SMCP SA, subject to performance conditions. The targets for the 2023 financial year were 53.7% achieved for Adj. Group EBIT and 115% achieved for extra-financial targets. Ms. Guichot will receive 28.8% of the target variable compensation. The targets for the 2024 financial year were 47% achieved for Adj. Group EBIT and 67% achieved for extra-financial targets. Ms. Guichot will receive 16.8% of the target variable compensation. The details are explained in the table "Level of achievement of 2024 targets".

[3] This amount includes a company car and the GSC insurance for 2024. The amount of benefits in kind due in respect of the current year is estimated in relation to the amount paid in that year, which may lead to differences compared to the final amount paid the following year.

ÉVELYNE CHÉTRITE, DEPUTY GENERAL MANAGER

(Amount in euros)	2023 financial year		2024 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation ⁽¹⁾	€995,000	€995,000	€995,000	€995,000
Annual variable compensation ⁽²⁾	€286,063	€651,924	€208,453	€286,063
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Benefits in kind ⁽³⁾	€5,218	€5,218	€5,352	€5,352
TOTAL	€1,286,280	€1,652,142	€1,208,805	€1,286,415

(1) The fixed compensation includes fixed compensation paid in respect of the corporate offices of Ms. Évelyne Chétrite as Deputy General Manager of SMCP SA and Évelyne Chétrite SASU as Chairman of the company Sandro Andy and as Artistic Director of Sandro Femme.

(2) The annual variable compensation of Ms. Évelyne Chétrite includes compensation paid in respect of Ms. Évelyne Chétrite's corporate office as Deputy General Manager of SMCP SA and of Évelyne Chétrite SASU as Chairman of the company Sandro Andy and as Artistic Director of Sandro Femme, subject to performance conditions. For 2023, the achievement of the targets is 53.7% for the Adj. Group EBIT, 75.3% for the Adj. Sandro EBIT and 115% for the extra-financial targets. Ms. Chétrite will receive 28.8% of the target variable compensation. For 2024, the achievement of the targets is 47% for the Adj. Group EBIT, 82.9% for the Adj. Sandro EBIT and 78% for the extra-financial targets. Ms. Chétrite will receive 21% of the target variable compensation. The details are explained in the table "Level of achievement of 2024 targets".

(3) This amount includes a company car. The amount of benefits in kind due in respect of the current year is estimated in relation to the amount paid in that year, which may lead to differences compared to the final amount paid the following year.

JUDITH MILGROM, DEPUTY GENERAL MANAGER

(Amount in euros)	2023 financial year		2024 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation ⁽¹⁾	€995,000	€995,000	€995,000	€995,000
Annual variable compensation ⁽²⁾	€286,063	€348,250	€211,438	€286,063
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Benefits in kind	None	None	None	None
TOTAL	€1,281,063	€1,343,250	€1,206,437	€1,281,063

(1) The fixed compensation includes fixed compensation paid in respect of the corporate offices of Ms. Judith Milgrom as Deputy General Manager of SMCP SA and Judith Milgrom SASU as Chairman of the company Maje and as Artistic Director of Maje.

(2) The annual variable compensation for Ms. Judith Milgrom includes compensation paid for the corporate offices of Ms. Judith Milgrom as Deputy General Manager of SMCP SA and for Judith Milgrom SASU as Chairman of the company Maje and as Artistic Director of Maje, subject to performance conditions. For 2023, the achievement of the objectives is 53.7% for the Adj. Group EBIT, 65.7% for the Adj. Maje EBIT and 115% for the extra-financial targets. Ms. Milgrom will receive 28.8% of the target variable compensation. For 2024, the achievement of the objectives is 47% for the Adj. Group EBIT, 71.1% for the Adj. Maje EBIT and 85% for the extra-financial targets. Ms. Milgrom will receive 21.3% of the target variable compensation. The details are explained in the table "Level of achievement of 2024 targets".

ILAN CHÉTRITE, DEPUTY GENERAL MANAGER

(Amount in euros)	2023 financial year		2024 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation ⁽¹⁾	€650,000	€650,000	€650,000	€650,000
Annual variable compensation ⁽²⁾	€216,125	€575,250	€155,675	€216,125
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Benefits in kind	None	None	None	None
TOTAL	€866,125	€1,225,250	€805,675	€866,125

(1) Fixed compensation includes fixed compensation paid in respect of Mr. Ilan Chétrite's terms of office as Deputy General Manager of SMCP SA, General Manager of Sandro Andy and as Artistic Director of Sandro Homme.

(2) The annual variable compensation of Mr. Ilan Chétrite includes compensation paid in respect of Mr. Ilan Chétrite's terms of office as Deputy General Manager of SMCP SA, General Manager of Sandro Andy and Artistic Director of Sandro Homme, subject to performance conditions. For 2023, the achievement of the objectives is 53.7% for the Adj. Group EBIT, 87% for the Adj. Sandro Homme EBIT and 115% for the extra-financial targets. Mr. Chétrite will receive 33.3% of the target variable compensation. For 2024, the achievement of the objectives is 47% for the Adj. Group EBIT, 86.9% for the Adj. Sandro Homme EBIT and 85% for the extra-financial targets. Mr. Chétrite will receive 24% of the target variable compensation. The details are explained in the table "Level of achievement of 2024 targets".

Share subscription or purchase options awarded during the financial year to each executive officer by the issuer and any Group company (Table 4 based on the recommendations of the Afep-MEDEF Code)

No stock options were granted to an executive officer during the financial year.

Share subscription or purchase options exercised during the financial year by each executive officer (Table 5 according to the recommendations of the Afep-MEDEF Code)

No stock options or purchases were exercised by an executive officer during the financial year.

Performance shares granted during the financial year to each executive officer by the issuer and by any Group company (Table 6 according to the recommendations of the Afep-MEDEF Code)

	No. and date of plan	Number of shares awarded during financial year	Valuation of shares according to method used for consolidated financial statements	Acquisition date	Availability date	Performance conditions
Christophe Cuvillier Chairman of the Board of Directors	-	None	None	None	None	None
Isabelle Guichot Chief Executive Officer	Plan no. 8 12/11/2024	137,000	€442,510	03/31/2028	03/31/2028	Performance conditions linked to internal financial targets (for 30% of Adj. Group EBIT and 20% of Group revenue), a TSR* target (30%) and CSR targets (10% internally and 10% externally).
Évelyne Chétrite Deputy General Manager	Plan no. 8 12/11/2024	170,400	€550,392	03/31/2028	03/31/2028	Performance conditions linked to internal financial targets (for 30% of Adj. Group EBIT and 20% of Group revenue), a TSR* target (30%) and CSR targets (10% internally and 10% externally).
Judith Milgrom Deputy General Manager	Plan no. 8 12/11/2024	170,400	€550,392	03/31/2028	03/31/2028	Performance conditions linked to internal financial targets (for 30% of Adj. Group EBIT and 20% of Group revenue), a TSR* target (30%) and CSR targets (10% internally and 10% externally).
Ilan Chétrite Deputy General Manager	Plan no. 8 12/11/2024	111,300	€359,499	03/31/2028	03/31/2028	Performance conditions linked to internal financial targets (for 30% of Adj. Group EBIT and 20% of Group revenue), a TSR* target (30%) and CSR targets (10% internally and 10% externally).

* Total Shareholder Return.

Free shares made available for each corporate officer (Table 7 based on the recommendations of the Afep-MEDEF Code)

	No. and date of plan	Number of shares awarded during financial year
Christophe Cuvillier, Chairman of the Board of Directors	None	0
Isabelle Guichot, Chief Executive Officer	Plan no. 4 of 17/12/2020	18,386*
	Plan no. 5 of 14/12/2021	20,158
Évelyne Chétrite, Deputy General Manager	Plan no. 4 of 17/12/2020	57,314
	Plan no. 5 of 14/12/2021	25,069
Judith Milgrom, Deputy General Manager	Plan no. 4 of 17/12/2020	57,314
	Plan no. 5 of 14/12/2021	25,069
Ilan Chétrite, Deputy General Manager	Plan no. 4 of 17/12/2020	37,441
	Plan no. 5 of 14/12/2021	16,377

* These free shares were allocated before Ms. Isabelle Guichot became Chief Executive Officer of SMCP SA.

DESCRIPTION OF THE FREE PERFORMANCE SHARE PLAN OF JANUARY 2021 (PLAN NO. 4) VESTED AND DELIVERED IN 2024

At its meeting of December 17, 2020, the Board of Directors, on the basis of the authority granted by the General Meeting of June 4, 2020, established a free performance share award plan for executive corporate officers and salaried employees of the Company and its subsidiaries.

Under this January 2021 Plan (Plan no. 4), 180,806 free performance shares were awarded to Ms. Évelyne Chétrite, 180,806 to Ms. Judith Milgrom, and 118,115 to Mr. Ilan Chétrite, Deputy General Managers.

The vesting of these shares was 70% subject to employment conditions (throughout the relevant period indicated below) and internal performance conditions (the achievement of a Adj. Group EBIT level),

20% subject to external performance conditions (dependent on a TSR target compared to the median TSR of companies in the CAC Mid and Small index) as well as 10% subject to CSR targets.

The free performance shares have been fully vested for beneficiaries (subject to meeting the employment and performance conditions) by half, at the end of two vesting periods of two and three years that begin on the award date, therefore:

- half of the free shares awarded were fully vested and delivered to beneficiaries on March 31, 2023, subject to meeting employment and performance conditions; and
- half of the free shares awarded were fully vested and delivered to beneficiaries on March 31, 2024, subject to meeting employment and performance conditions.

LEVEL OF ACHIEVEMENT OF THE 2024 VESTING OF PLAN NO. 4

	Weighting	% of achievement*	Description	Comments
Adj. Group EBIT	70%	75.6%	Average achievement of the Adj. Group EBIT target for 2021, 2022 and 2023	In 2021, achievement was 140%, in 2022 it was 86.7%. In 2023, the trigger threshold was not reached.
TSR	20%	0%	Comparison of the SMCP TSR vs the CAC Mid & Small TSR between the 20 trading days preceding 01/01/2021 and 01/01/2024	The trigger threshold was not reached.
CSR	10%	105%	Average achievement of targets for 2021, 2022 and 2023	In 2021 and 2022, achievement was 100%. In 2023, achievement was 115%.
TOTAL	100%	63.4%		

* The level of achievement of these quantifiable criteria has been precisely established but is not made public for reasons of confidentiality.

DESCRIPTION OF THE FREE PERFORMANCE SHARE PLANS OF JANUARY 2022 (PLAN NO. 5) PARTIALLY VESTED AND DELIVERED IN 2024

At its meeting of December 14, 2021, the Board of Directors, on the basis of the authority granted by the General Meeting of June 17, 2021, established a free performance share award plan for executive corporate officers and salaried employees of the Company and its subsidiaries.

Under the January 2022 plan (Plan No. 5), 98,100 free performance shares were awarded to Isabelle Guichot, Chief Executive Officer, 122,000 to Évelyne Chétrite, 122,000 to Judith Milgrom, and 79,700 to Ilan Chétrite, Deputy General Managers.

The vesting of these shares was 70% subject to employment conditions (throughout the relevant period indicated below) and internal performance conditions (the achievement of a Adj. Group

EBIT level), 20% subject to external performance conditions (dependent on a TSR target compared to the median TSR of companies in the CAC Mid and Small index) as well as 10% subject to CSR targets.

The free performance shares were fully vested for beneficiaries (subject to meeting the employment and performance conditions) by half, at the end of two vesting periods of two and three years that begin on the award date, therefore:

- half of the free shares awarded were fully vested and delivered to beneficiaries on March 31, 2024, subject to meeting employment and performance conditions; and
- half of the free shares awarded were fully vested and delivered to beneficiaries on March 31, 2025, subject to meeting employment and performance conditions.

LEVEL OF ACHIEVEMENT OF THE 2024 VESTING OF PLAN NO. 5

	Weighting	% of achievement*	Description	Comments
Adj. Group EBIT	70%	43.4%	Average achievement of the Adj. Group EBIT target for 2022 and 2023	86.7% in 2022, and in 2023, the trigger threshold was not reached.
TSR	20%	0%	Comparison of the SMCP TSR vs the CAC Mid & Small TSR between the 20 trading days preceding 01/01/2022 and 01/01/2024	The trigger threshold was not reached.
CSR	10%	107.5%	Average achievement of targets for 2022 and 2023	In 2022, the achievement was 100% and 115% in 2023.
TOTAL	100%	41.1%		

* The level of achievement of these quantifiable criteria has been precisely established but is not made public for reasons of confidentiality.

History of share subscription or purchase options granted (Table 8 according to the recommendations of the Afep-MEDEF Code)

None.

Options to subscribe or purchase shares granted to the top ten employees who are not corporate officers and options exercised by them (Table 9 according to the recommendations of the Afep-MEDEF Code)

None.

History of free share allocations (Table 10 according to the recommendations of the Afep-MEDEF Code)

Free share plan (LTIP)	G PS plan (tranche 1)	G PS plan (tranche 2)	G PS plan (tranche 3)	Plan no. 1	Plan no. 1	Plan no. 2	Plan no. 2
Date of General Meeting	10/10/2016	10/10/2016	10/10/2016	10/05/2017	10/05/2017	06/18/2018	06/18/2018
Date of the decision by the Board of Directors	10/10/2016	12/14/2016	02/27/2017	11/23/2017	04/25/2018	08/30/2018	11/20/2018
Total number of shares awarded	12,768,753	1,520,100	393,000	2,038,324	25,709	98,171	57,694
Corporate officers:	6,855,000	None	None	1,040,498	None	None	None
Christophe Cuvillier, <i>Chairman of the Board of Directors</i>	None	None	None	None	None	None	None
Isabelle Guichot, <i>Chief Executive Officer</i>	None	None	None	81,818	None	None	None
Évelyne Chétrite, <i>Deputy General Manager</i>	1,750,000 ⁽¹⁾	None	None	302,390	None	None	None
Judith Milgrom, <i>Deputy General Manager</i>	1,750,000 ⁽²⁾	None	None	302,390	None	None	None
Ilan Chétrite, <i>Deputy General Manager</i>	1,750,000 ⁽³⁾	None	None	193,700	None	None	None
Date of acquisition of shares	10/10/2017	12/14/2017	02/27/2018	03/31/2020 03/31/2021 03/31/2022	03/31/2021 03/31/2022	03/31/2021 03/31/2022	03/31/2021 03/31/2022
Period end date	10/10/2018	12/14/2018	02/27/2019	03/31/2020 03/31/2021 03/31/2022	03/31/2021 03/31/2022	03/31/2021 03/31/2022	03/31/2021 03/31/2022
Number of shares subscribed	None	None	None	None	None	None	None
Cumulative number of shares cancelled or expired	307,178	150,600	0	994,310	11,384	48,122	40,637
Free shares remaining at the end of the financial year ⁽⁴⁾	1,761,793	195,861	80,714	0	0	0	0

(1) Post-combination carried out in June 2018 (see section 7.1.6 "Employee shareholding structure"), the number of shares held by Ms. Évelyne Chétrite is 159,090 class G preferred shares, converted into 624,121 ordinary shares on January 1, 2025.

(2) Post-combination carried out in June 2018 (see section 7.1.6 "Employee shareholding structure"), the number of shares held by Ms. Judith Milgrom is 159,090 Class G preferred shares, converted into 624,121 ordinary shares on January 1, 2025.

(3) Post-combination carried out in June 2018 (see section 7.1.6 "Employee shareholding structure"), the number of shares held by Mr. Ilan Chétrite is 159,135 Class G preferred shares, converted into 624,297 ordinary shares on January 1, 2025.

(4) As regards class G preferred shares, the number of shares remaining at the end of the financial year indicated corresponds to the total number of ordinary shares resulting from the conversion on January 1, 2025, from which the class G preferred shares existing before this conversion are removed.

Free share plan (LTIPI)	Plan no. 3	Plan no. 3	Plan no. 4	Plan no. 4	Plan no. 5	Plan no. 5	Plan no. 5
Date of General Meeting	6/7/2019	6/7/2019	6/4/2020	6/4/2020	6/17/2021	6/17/2021	6/17/2021
Date of the decision by the Board of Directors	12/5/2019	3/24/2020	12/17/2020	4/28/2021	12/14/2021	12/14/2021	3/9/2022
Total number of shares awarded	870,460	34,256	1,437,494	61,289	5,110	987,600	28,780
Corporate officers:	401,548	None	660,533	None	None	421,800	None
Christophe Cuvillier, <i>Chairman of the Board of Directors</i>	None	None	None	None	None	None	None
Isabelle Guichot, <i>Chief Executive Officer</i>	28,400	None	58,000	None	None	98,100	None
Évelyne Chétrite, <i>Deputy General Manager</i>	110,773	None	180,806	None	None	122,000	None
Judith Milgrom, <i>Deputy General Manager</i>	110,773	None	180,806	None	None	122,000	None
Ilan Chétrite, <i>Deputy General Manager</i>	69,962	None	118,115	None	None	79,700	None
Date of acquisition of shares	03/31/2022 03/31/2023	09/30/2022 09/30/2023	03/31/2023 03/31/2024	09/30/2023 09/30/2024	12/31/2022	03/31/2024 03/31/2025	07/01/2024 07/01/2025
Period end date	03/31/2022 03/31/2023	09/30/2022 09/30/2023	03/31/2023 03/31/2024	09/30/2023 09/30/2024	12/31/2023	03/31/2024 03/31/2025	07/01/2024 07/01/2025
Number of shares subscribed	None	None	None	None	None	None	None
Cumulative number of shares cancelled or expired	304,669	10,701	615,433	30,201	230	706,245	22,200
Free shares remaining at the end of the financial year	0	0	0	0	0	112,524	1,903

Free share plan (LTIPI)	Plan no. 6	Plan no. 6	Plan no. 6	Plan no. 7	Plan no. 7	Plan no. 8
Date of General Meeting	6/17/2021	6/17/2021	6/17/2021	6/21/2023	6/21/2023	6/06/2024
Date of the decision by the Board of Directors	12/7/2022	12/7/2022	3/23/2023	12/12/2023	3/21/2024	12/11/2024
Total number of shares awarded	1,139,380	5,090	22,510	1,475,600	49,300	1,475,900
Corporate officers:	455,600	None	None	589,100	None	None
Christophe Cuvillier, <i>Chairman of the Board of Directors</i>	None	None	None	None	None	None
Isabelle Guichot, <i>Chief Executive Officer</i>	105,950	None	None	137,000	None	137,000
Évelyne Chétrite, <i>Deputy General Manager</i>	131,780	None	None	170,400	None	170,400
Judith Milgrom, <i>Deputy General Manager</i>	131,780	None	None	170,400	None	170,400
Ilan Chétrite, <i>Deputy General Manager</i>	86,090	None	None	111,300	None	111,300
Date of acquisition of shares	03/31/2026	12/31/2023	7/1/2026	3/31/2027	7/1/2027	3/31/2028
Period end date	03/31/2026	12/31/2024	7/1/2026	3/31/2027	7/1/2027	3/31/2028
Number of shares subscribed	None	None	None	None	None	None
Cumulative number of shares cancelled or expired	508,078	345	7,954	398,772	11,704	0
Free shares remaining at the end of the financial year	631,302	0	14,556	1,076,828	37,596	1,475,900

Summary of commitments made to executive officers (Table 11 according to the recommendations of the Afep-MEDEF Code)

Executive corporate officers	Employment contract		Supplementary pension scheme		Severance or benefits due or which may be due on termination of or a change of post		Severance under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Christophe Cuvillier, Chairman of the Board of Directors		X		X		X		X
Isabelle Guichot, Chief Executive Officer		X		X	X		X	
Évelyne Chétrite, Deputy General Manager		X		X	X		X	
Judith Milgrom, Deputy General Manager		X		X	X		X	
Ilan Chétrite, Deputy General Manager		X		X	X		X	

Draft resolutions prepared by the Board of Directors pursuant to Article L. 22-10-34 of the French Commercial Code submitted to the Combined General Meeting of June 12, 2025

NINTH RESOLUTION

(Approval, pursuant to Article L. 22-10-34 II of the French Commercial Code, of the fixed, variable and exceptional items which make up the total compensation and benefits of any kind paid during the financial year ended December 31, 2024, or awarded for the same period to Mr. Christophe Cuvillier, in his capacity as Chairman of the Board of Directors)

The General Meeting, after acknowledging the Board of Directors' corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code and provided in section 4.2 of the Company's 2024 universal registration document, deliberating under the conditions of quorum and majority required for ordinary general meetings, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or awarded for the financial year ended December 31, 2024 to Mr. Christophe Cuvillier, Chairman of the Board of Directors, as detailed in the aforementioned report.

TENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-34 II of the French Commercial Code, of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the financial year ended December 31, 2024 or awarded in respect of the same financial year to Ms. Isabelle Guichot, in her capacity as Chief Executive Officer)

The General Meeting, after acknowledging the Board of Directors' report on corporate governance drawn up in accordance with Article L. 225-37 of the French Commercial Code and provided in section 4.2 of the Company's 2024 universal registration document, deliberating under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components comprising the total compensation and benefits of any kind paid or awarded for the financial year ended December 31, 2024 to Ms. Isabelle Guichot, Chief Executive Officer, as detailed in the aforementioned report.

ELEVENTH RESOLUTION

(Approval, pursuant to Article L.22-10-34 II of the French Commercial Code, of the fixed, variable and exceptional items which make up the total compensation and benefits of any kind paid during the financial year ended December 31, 2024 or awarded for the same period to Ms. Évelyne Chétrite, in her capacity as Deputy General Manager)

The General Meeting, after acknowledging the Board of Directors' report on corporate governance drawn up in accordance with

Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or awarded in respect of the financial year ended December 31, 2024 to Ms. Évelyne Chétrite, Deputy General Manager, as detailed in the aforementioned report.

TWELFTH RESOLUTION

(Approval, pursuant to Article L. 22-10-34 II of the French Commercial Code, of the fixed, variable and exceptional items which make up the total compensation and benefits of any kind paid during the financial year ended December 31, 2024 or awarded for the same period to Ms. Judith Milgrom, in her capacity as Deputy General Manager)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or awarded in respect of the financial year ended December 31, 2024 to Ms. Judith Milgrom, Deputy General Manager, as detailed in the aforementioned report.

THIRTEENTH RESOLUTION

(Approval, pursuant to Article L. 22-10-34 II of the French Commercial Code, of the fixed, variable and exceptional items which make up the total compensation and benefits of any kind paid during the financial year ended December 31, 2024 or awarded for the same period to Mr. Ilan Chétrite, in his capacity as Deputy General Manager)

The General Meeting, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section 4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L.22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or awarded in respect of the financial year ended 31 December 2024 to Mr. Ilan Chétrite, Deputy General Manager, as detailed in the aforementioned report.

4.2.2.2 DIRECTORS

The table below shows the compensation received by members of the Board of Directors for the 2023 and 2024 financial years:

Compensation received by the members of the Board of Directors (Table 3 according to the recommendations of the Afep-MEDEF Code)

Members of the Board of Directors	2023 financial year		2024 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Christophe Cuvillier	€161,000	€162,445	€161,000	€161,000
Isabelle Guichot	None	None	None	None
Évelyne Chétrite	None	None	None	None
Judith Milgrom	None	None	None	None
Orla Noonan	€61,500	€69,500	€65,500	€61,500
Dajun Yang <i>(until June 21, 2023)</i>	€21,545	€52,500	None	€21,545
Christophe Chenut	€50,000	€59,189	€50,000	€50,000
Natalia Nikolaidi	€58,392	€58,767	€63,500	€58,392
Xavier Véret	€54,500	€61,556	€58,500	€54,500
Atalay Atasu <i>(since June 21, 2023)</i>	€34,819	None	€61,000	€34,819
Lauren Schuller	None	None	None	None
Marina Dithurbide <i>(until February 28, 2023)</i>	None	None	None	None
Jean Loez <i>(since March 1, 2023)</i>	None	None	None	None
TOTAL	€441,756	€467,764	€459,500	€441,756

Draft resolution drawn up by the Board of Directors pursuant to Article L. 22-10-8 II of the French Commercial Code and submitted to the Combined General Meeting on June 12, 2025

TWENTIETH RESOLUTION

(Approval, pursuant to Article L. 22-10-8 II of the French Commercial Code, of the compensation policy for directors)

The General Meeting, after acknowledging the Board of Directors' corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code and provided in section 4.2

of the Company's 2024 universal registration document, deliberating under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy for directors, as presented in the aforementioned report.

4.2.2.3 LEVEL OF COMPENSATION OF EXECUTIVE OFFICERS IN RELATION TO THE COMPENSATION OF THE COMPANY EMPLOYEES AND PERFORMANCE

Ratio between the compensation level of the Chief Executive Officer and Deputy General Managers and the average and median compensation of the Company's employees

To calculate the ratios presented below in accordance with Article L. 22-10-9 I 6° of the French Commercial Code, the Company referred to the guidelines of the Afep-MEDEF Code dated December 2022.

In particular:

- the ratios below were calculated on the basis of the annual fixed and variable compensation paid in N and during the years mentioned as well as free performance shares awarded during the same periods and valued at their book value at the time of their award (it being specified that the valuation at the time of the award is not necessarily representative of the value at the time of payment, in particular if the performance conditions are not met);
- for employees, the elements of compensation used in the calculation are based on full-time equivalent (FTE);
- Due to the very limited workforce of SMCP SA, for the sake of representativeness, the scope of employees of 100% of the entities in France, present over a two-year period, was included in the calculation. This scope covers a wide variety of functions performed within the Group, including the functions of the head office teams, the functions performed in stores and within the logistics platforms;
- Adjusted Group EBIT is a performance indicator regularly monitored by the Group to analyse and evaluate its businesses and their trends, measure their performance, prepare earnings forecasts and make strategic decisions.

COMPARISON OF THE LEVEL OF COMPENSATION OF EXECUTIVE CORPORATE OFFICERS IN RELATION TO THE COMPANY'S EMPLOYEES

Corporate executive officer	2022 financial year		2023 financial year		2024 financial year	
	Ratio of average compensation	Ratio of median compensation	Ratio of average compensation	Ratio of median compensation	Ratio of average compensation	Ratio of median compensation
Mr. Christophe Cuvillier	N/A	N/A	3.24	4.17	3.11	3.92
Ms. Isabelle Guichot	35.33	46.89	29.36	46.89	28.76	36.25
Ms. Évelyne Chétrite	55.84	74.11	41.20	53.14	35.47	44.70
Ms. Judith Milgrom	55.74	73.97	35.30	45.53	35.36	44.57
Mr. Ilan Chétrite	36.41	48.32	29.70	38.31	23.66	29.82

ANNUAL CHANGES IN THE COMPENSATION OF EXECUTIVE CORPORATE OFFICERS IN RELATION TO THE COMPANY'S PERFORMANCE

	2022 financial year	2023 financial year	2024 financial year
Compensation for Christophe Cuvillier, Chairman of the Board of Directors (in euros)	N/A	169,432	161,000
Change vs previous year	N/A	N/A	-5%
Compensation for Isabelle Guichot, Chief Executive Officer (in euros)	1,730,474	1,536,926	1,489,723
Change vs previous year	-16%	-11%	-3%
Compensation for Évelyne Chétrite, Deputy General Manager (in euros)	2,735,071	2,156,506	1,836,807
Change vs previous year	-2%	-21%	-15%
Compensation for Judith Milgrom, Deputy General Manager (in euros)	2,729,781	1,847,613	1,831,455
Change vs previous year	-2%	-32%	-1%
Compensation for Ilan Chétrite, Deputy General Manager (in euros)	1,783,289	1,554,685	1,225,624
Change vs previous year	-2%	-13%	-21%
Adjusted Group EBIT (excluding IFRS, in thousands of euros)	96,473	61,595	38,000
Change vs previous year	29%	-36%	-38%

4.2.3 Draft resolutions submitted to the General Meeting of June 12, 2025

Draft resolutions prepared by the Board of Directors in accordance with Article L. 22-10-34 I of the French Commercial Code submitted to the General Meeting of June 12, 2025

NINETEENTH RESOLUTION

(Approval of the information mentioned in I of Article L. 22-10-9 of the French Commercial Code)

The General Meeting, after acknowledging the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code which appears in section

4.2 of the Company's 2024 universal registration document, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves, pursuant to Article L. 22-10-34 I. of the French Commercial Code, the information mentioned in Article L. 22-10-9 I. of the French Commercial Code as presented in the aforementioned report.

4.3 Commitments with related parties and Agreements

4.3.1 Transactions with related parties

The Group's related parties include the shareholders of the Company, companies with a controlling interest in the Group and the main members of the Group's management and supervisory bodies (and their immediate family members).

Quantified data detailing relationships with these related parties is provided in Note 7.3 to the consolidated financial statements for the financial year ended December 31, 2024, presented in section 6.1.2 of this universal registration document.

The procedure applied to classify and process agreements between SMCP or its subsidiaries and their related parties is described in the Company's internal charter on regulated and unrestricted agreements. This procedure requires the Legal Department to be informed of any agreement that may be entered into between the Company and a related party prior to its conclusion, except in the case of an agreement entered into between the Company and one of its wholly-owned subsidiaries. The Legal Department will review the draft agreement, with the support, where applicable, of the Finance Department and/or the Internal Audit Department, to determine

whether the draft agreement falls within the scope of the regulated agreements procedure or whether, conversely, it meets the criteria of ordinary agreements entered into under normal conditions. The conclusions of this assessment are communicated to the Chairman of the Board of Directors, who informs the Board of Directors of the draft agreements identified as regulated for prior authorisation. The Board of Directors, on the basis of the information provided to it and on the recommendations of the Audit Committee, annually reviews the regulated agreements, already authorised and entered into, whose execution has continued, in order to assess whether these agreements still meet the criteria that led to their classification as regulated agreements and reviews the reasons that led to the authorisation of agreements entered into during a previous financial year whose execution has continued, in order to ensure that these reasons remain unchanged. Any new regulated agreement is subject to the approval of the Shareholders' Ordinary General Meeting called to approve the financial statements for the financial year during which it was entered into.

4.3.1.1 AGREEMENTS AUTHORISED AND ENTERED INTO DURING THE PAST FINANCIAL YEAR

No new agreement or commitment was authorised and entered into during the past financial year, pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

4.3.1.2 PREVIOUSLY APPROVED AGREEMENTS THAT REMAINED IN FORCE DURING THE PAST FINANCIAL YEAR

There are no agreements or commitments approved in previous financial years that continued to be implemented during the past financial year.

4.3.2 Statutory Auditors' special report on related-party agreements

General Meeting for the approval of the financial statements for the year ended 31 December 2024

To the Shareholders of SMCP,

In our capacity as Statutory Auditors of SMCP, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R.225-31 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements.

Agreements to be submitted for the approval of the General Meeting

Agreements authorised and entered into during the year

We were not informed of any agreements authorised and entered into during the year to be submitted for the approval of the General Meeting pursuant to the provisions of article L.225-38 of the French Commercial Code.

Agreements already approved by the General Meeting

Agreements approved in previous years that were implemented during the year

We were not informed of any agreements approved by the General meeting in previous years that were implemented during the year.

Neuilly-sur-Seine et Paris-La Défense, March 28, 2025

The Statutory Auditors

Grant Thornton
Membre Français de Grant Thornton International

Lionel Cudey

Deloitte & Associés

Bénédicte Sabadie



Analysis of activity and outlook

5.1	Highlights	240	5.3	Cash flow	249
5.1.1	Highlights of the 2024 financial year	240	5.3.1	<i>Free cash flow</i>	249
5.1.2	Highlights since January 1, 2025	240	5.3.2	Consolidated cash flow	250
			5.3.3	Main uses of the Group's cash and investment policy	251
5.2	Analysis of activity and consolidated results	241	5.4	Financial structure	252
5.2.1	Key figures from the income statement	242	5.4.1	Statement of financial position (balance sheet)	252
5.2.2	Change in the number of points of sale	243	5.4.2	Financing structure	253
5.2.3	Revenue	244			
5.2.4	Income	246	5.5	Outlook	256

5.1 Highlights

5.1.1 Highlights of the 2024 financial year

- **An ongoing difficult macroeconomic context, particularly in China**

After 2023 was already marked by a particularly adverse context, 2024 continued in a similar vein, particularly in China. In this context, the Group took measures to optimise the network, which resulted in a net decrease in the network of 68 points of sale, mainly in its directly operated network (80 closures), partially offset by continued development of points of sale with distribution partners (12 net openings). China accounted for 65 closures. Point of sale closures were also observed for the Claudie Pierlot brand.

- **New distribution partnerships**

As part of its development strategy, the Group regularly enters into partnerships in promising markets with strong growth potential. In 2024, two new contracts were signed, in Indonesia and the Philippines. Sandro has already opened a store in Indonesia, and other openings are planned for 2025.

5.1.2 Highlights since January 1, 2025

- **Conversion of Class G preferred shares.** Between 2016 and 2017, SMCP granted, on an exceptional basis, Class G preferred shares with a par value of €1.10 to 98 executives, founders and managers of SMCP. The beneficiaries of these class G preferred shares could convert them into ordinary shares on January 1 of each year until January 1, 2025. On that date, any unconverted class G preferred shares were automatically converted into ordinary shares. As of January 1, 2025, the remaining 697,343 class G preferred shares were automatically converted into 2,735,711 ordinary shares. As a result of the capital increase following this automatic conversion, the Company's share capital, which did comprise 76,288,530 shares, now comprises 78,326,898 ordinary shares.

5.2 Analysis of activity and consolidated results

Definitions and key performance indicators

POINTS OF SALE

The number of the Group's points of sale comprises total retail points of sale open at the relevant date, which includes (i) directly operated stores, including free-standing stores, concessions in department stores, affiliate-operated stores, outlets and online stores, and (ii) partnered retail points of sale.

REVENUE

Revenue consists of total product sales (retail sales and sales made by partners and third-party electronic platforms) net of promotions, discounts, VAT and other sales taxes, and before deduction of concession fees paid to department stores and commissions paid to affiliates.

LIKE-FOR-LIKE GROWTH

Like-for-like growth corresponds to retail sales variations from directly operated points of sale on a like-for-like basis in a given period compared with the same period in the previous financial year. Like-for-like points of sale for a given period include all of the Group's points of sale that were open during the same period of the previous year and exclude points of sale closed during the period, including points of sale closed for renovation for more than one month, as well as points of sale that changed their activity (for example, Sandro points of sale changing from Sandro Femme to Sandro Homme or to a mixed Sandro Femme and Sandro Homme store). Like-for-like sales growth percentage is presented at constant exchange rates (sales for year 1 and previous year in foreign currencies are converted at the average previous year rate, as presented in the notes to the Group's consolidated financial statements as at December 31 for year 1 in question).

COST OF SALES, GROSS MARGIN AND RETAIL MARGIN

Cost of sales mainly includes:

- the cost of goods sold: raw materials, labour costs of cut-and-sew manufacturers, purchases of finished products and customs duties, transport and logistics costs;
- commissions paid to department stores, affiliates and local partners, and to third-party websites;
- changes in inventories.

The *accounting* gross margin represents the sum of the Group's revenue, net of cost of sales (including commissions paid to department stores, affiliates and third-party websites).

The Group uses the *management* gross margin as an operating indicator, which differs from the accounting gross margin and is calculated before deducting commissions.

Lastly, the retail margin corresponds to the management gross margin after taking into account the points of sale's direct expenses such as rent, personnel costs, commissions paid to the department stores and other direct operating costs.

ADJUSTED EBITDA AND EBITDA

EBITDA is defined by the Group as current operating income before depreciation, amortisation and provisions. EBITDA is not a standardised accounting measure that meets a single generally accepted definition. It must not be considered as a substitute for operating profit, net earnings, cash flow from operating activities, or as a measure of liquidity. Other companies may calculate EBITDA using a different definition from that used by the Group. The EBITDA margin is EBITDA divided by revenue.

Adjusted EBITDA is defined as EBITDA before fees related to free share award plans (LTIP). Adjusted EBITDA margin is adjusted EBITDA divided by revenue.

ADJUSTED EBIT AND EBIT

EBIT is defined by the Group as profit/(loss) before interest and tax.

Adjusted EBIT is EBIT before fees related to free share plans (LTIP). Adjusted EBIT margin corresponds to EBIT divided by revenue.

FREE CASH FLOW

Free cash flow is defined as the net cash flow from operating activities, after taking into account (i) investments made (excluding acquisitions), (ii) repayment of lease liabilities, (iii) financial interest paid and (iv) net foreign exchange differences.

5.2.1 Key figures from the income statement

<i>(In millions of euros)</i>	2023	2024
Revenue	1,231	1,212
Cost of sales ⁽¹⁾	(455)	(448)
Accounting gross margin	775	763
Personnel costs	(280)	(289)
Other operating income and expenses	(259)	(258)
Adjusted EBITDA	236	216
<i>Adjusted EBITDA margin</i>	19.2%	17.9%
Depreciation, amortisation and impairment	(157)	(164)
Adjusted EBIT	80	53
<i>Adjusted EBIT margin</i>	6.5%	4.4%
Free share award plan (LTIP)	(3)	(2)
Current operating income	77	51
Other non-recurring income and expenses	(26)	(35)
Operating profit	51	16
Financial income (expense)	(28)	(32)
Profit/(loss) before tax	23	(16)
Income tax expense	(11)	(7)
Net profit for the period	11	(24)

(1) Cost of sales including commissions.

5.2.2 Change in the number of points of sale

The following table presents the Group's directly operated stores by brand and geographical segment for the periods indicated:

<i>(Number of points of sale directly operated)</i>	Financial year ended 12/31	
	2023	2024
By brand		
Sandro	591	564
Maje	490	468
Claudie Pierlot	210	185
Fursac	82	76
By geographical segment		
France	470	473
EMEA	411	395
America	176	178
APAC	316	247
TOTAL NUMBER OF POINTS OF SALE	1,373	1,293

The following table presents the Group's points of sale (including partners) by brand and geographical segment for the periods indicated:

<i>(In number of points of sale, including partners)</i>	Financial year ended 12/31	
	2023	2024
By brand		
Sandro	775	755
Maje	640	621
Claudie Pierlot	233	209
Fursac	82	77
By geographical segment		
France	471	473
EMEA	555	536
America	215	226
APAC	489	427
TOTAL NUMBER OF POINTS OF SALE	1,730	1,662

The total number of the Group's points of sale decreased during the financial year, from 1,730 at the end of 2023 to 1,662 at December 31, 2024, i.e. 68 net closures related to the network optimisation plan in China and Claudie Pierlot closures in Europe.

In China, Sandro and Maje closed 57 points of sale and Claudie Pierlot closed all its points of sale (eight closures), with the exception of one store in the process of being closed on December 31, 2024. In Europe, Claudie Pierlot optimised its store network (12 net closures). Conversely, and in line with the Group's strategic goals, the development of the retail partners network continued (with 12 net openings).

The table below shows the number of points of sale by category:

	Financial year ended 12/31	
	2023	2024
Free-standing stores	493	451
Concessions	573	550
Affiliates	61	57
Online	121	122
Outlets	125	113
Total points of sale (directly-operated stores)	1,373	1,293
Partnerships	357	369
TOTAL	1,730	1,662

5.2.3 Revenue

5.2.3.1 CONSOLIDATED REVENUE

In 2024, consolidated revenue amounted to €1,212 million, a -1.5% fall compared to 2023, both in reported figures and at constant exchange rates, with a negligible exchange rate impact. Based on a constant (like-for-like) scope, the change is -3.0%. The decline in revenue in 2024 is due to a significant decrease in China. Conversely, Sandro and Maje recorded an increase in their sales outside China.

Over the first half of 2024, consolidated revenue reached €585 million, down -3.6% organically compared to H1 2023. Like-for-like network sales decreased by -5.5%. While the Group recorded a +6% organic growth in America and a good resilience in Europe with sales nearly stable (-1% in France and +1% organic in EMEA) on a high basis of comparison in H1 2023, this has been offset by continuous slow consumption in China (APAC sales -20% organic vs H1 2023), where the Group has decided to start a network optimisation.

In the second half, consolidated revenue reached €626 million, up 0.6% on an organic basis compared to H2 2023 (like-for-like -0.6%), and with a slightly positive currency effect (+0.4 points). Sales continued to grow in America and Europe compared to 2023, despite the negative impact of the Olympic Games on trade in Paris during the summer period. Throughout the second half of the year, the trend improved, and Q4 2024 saw a return to growth, with revenue up on an organic basis by 1.9% compared to the same period in 2023.

The decline in e-commerce sales was more marked than that of physical stores, which is mainly due to directly operated sites (with a tendency for customers to prefer store visits) and the decrease in digital inventory removal. Digital penetration was therefore down 1 point to 20%.

In addition, the discount management policy was continued. Therefore, despite a highly promotional environment, the average discount rate during the season fell by two points compared to 2023 (to below 23%).

5.2.3.2 REVENUE BY BRAND AND BY REGION

	Financial year ended 12/31		Change in reported data	Organic sales change
(In millions of euros – except percentages)	2023	2024		
By brand				
Sandro	601	605	+0.6%	+0.6%
Maje	462	458	-0.9%	-0.8%
Other Brands	167	148	-11.0%	-11.2%
By region				
France	413	418	+1.1%	+1.1%
EMEA	389	403	+3.7%	+3.1%
America	173	183	+5.4%	+5.7%
APAC	255	208	-18.5%	-17.7%
TOTAL	1,231	1,212	-1.5%	-1.5%

Revenue by brand

The Group organises its activities around three divisions: Sandro, Maje and the *Other Brands* division which includes the brands Claudie Pierlot and Fursac.

During the 2024 financial year, **Sandro** (+0.6%) and **Maje** (-0.9%) showed great resilience in Europe and America, but were affected by the slowdown in consumption in China. Excluding China, the Group grew by just over 2% in 2024. The **Other Brands** division (-11%) recorded a decrease mainly from Claudie Pierlot, despite a pattern of improvement in the second half of the year.

Revenue by region

In **France**, the Group recorded revenue of €418 million in 2024, slightly up compared to 2023 (+1.1%, and -1.2% in like-for-like revenue). Sales improved throughout the first half of the year, but the Olympic Games had a negative effect on sales in the third quarter. The final quarter saw a more favourable trend, particularly in December.

In the **EMEA** region, revenue for the 2024 financial year amounted to €403 million. Sales were up 3.1% on an organic basis compared to 2023, mainly driven by like-for-like growth (+4.1%), which is positive in almost all directly operated markets. Retail partners posted a positive performance during the semester, notably in the Middle East.

America recorded revenue of €183 million in 2024. Sales increased by 5.4% on a reported basis, including a negative currency impact of -0.3 points, and +5.7% on an organic basis (like-for-like +0.3%).

Lastly, in the **APAC** region, the Group's revenue amounted to €208 million in 2024 and recorded a decline of -18% on an organic basis compared to 2023, resulting both from a slowdown in consumer spending in China which resulted in reduced footfall, and also from store closures, in line with the Group's strategy. In the rest of the region, sales remained resilient in several markets (Singapore, Vietnam, Malaysia and Thailand).

Revenue per category of points of sale

<i>(In millions of euros)</i>	Financial year ended 12/31	
	2023	2024
Free-standing stores	367	357
Concessions	360	371
Outlets	159	152
Affiliates	27	27
Online*	216	200
Partnerships	101	105
TOTAL REVENUE	1,231	1,212

* These data include the revenue generated on the websites of the Group's brands and the revenue generated on the websites of the department stores in which the Group operates concessions. They do not include online revenue from partnerships. Including online revenue from partnerships, total online revenue was €258 million for 2023 and €239 million for 2024.

5.2.4 Income

5.2.4.1 COST OF SALES

Cost of sales decreased from €455 million in 2023 to €448 million in 2024. As a percentage of revenue, it remained stable at 37.0%.

5.2.4.2 MANAGEMENT GROSS MARGIN AND RETAIL MARGIN

The Group's management gross margin remained at a high level of 74.4% of revenue in 2024 (73.8% in 2023) driven by an average

discount rate well under control both in physical stores and online, and down by two points compared to 2023 (below 23%), despite a highly promotional competitive environment in most markets.

The Group's retail margin went from €356 million in 2023 (29% of sales) to €338 million in 2024 (28% of sales). The decrease as a percentage of sales is mainly due to the continuation of inflation, such as rents (high indexation in France and Europe) and wages, as well as, in China, by the under-absorption of guaranteed minimums due to declining sales.

The table below summarises the reconciliation of the management gross margin and the retail margin, with the accounting gross margin as included in the Group's financial statements for the following periods:

	Financial year ended 12/31	
	2023	2024
<i>(In millions of euros)</i>		
Accounting gross margin	775	763
Readjustment of the commissions and other adjustments	133	138
Management gross margin	908	901
Direct costs of points of sale	(552)	(563)
Retail margin	356	338

5.2.4.3 PERSONNEL COSTS

Personnel costs increased from €280 million in 2023 to €289 million in 2024. In percentage of revenue, they represented 24% of revenue in 2024, compared to 23% in 2023. This increase is explained by the impact of inflation on salaries, against a backdrop of a slight fall in sales.

they were affected by the inflationary context, but also by the Group's continued investment in cross-functional IT projects. This increase was partially offset by savings plans (contract renegotiations, etc.).

The total proportion of marketing expenses amounted to nearly 4% of sales in 2024, in line with the Group's strategy.

5.2.4.4 OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses mainly include rents (store network, head offices, distribution centres), marketing costs, logistics and commercial costs, as well as a whole range of other less significant operating expenses, including bank fees for processing store payments, consulting, legal and audit fees, and management, travel, IT and telephone expenses.

These other operating income and expenses represented a net expense of €258 million in 2024 compared to €259 million in 2023;

5.2.4.5 ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

For the financial year 2024, adjusted EBITDA totalled €216 million, compared to €236 million for 2023, i.e. a decrease of 8%.

The adjusted EBITDA margin increased from 19% in 2023 to 18% in 2024, due to the inflationary effects described above, but also to a certain extent due to the costs incurred in connection with the implementation of the action plans.

Having taken into account the impact of the free share plans (LTIPs) (€1.8 million in 2024), EBITDA was €215 million in 2024 compared with €233 million in 2023.

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN BY BRAND

(In millions of euros)	Financial year ended 12/31	
	2023	2024
Adjusted EBITDA	236	216
Sandro	130	126
Maje	101	94
Other Brands	6	(4)
Adjusted EBITDA margin	19.2%	17.9%
Sandro	21.6%	20.8%
Maje	21.8%	20.6%
Other Brands	3.5%	(2.6%)

5.2.4.6 CHANGE FROM ADJUSTED EBITDA TO ADJUSTED EBIT AND TO NET PROFIT FOR THE PERIOD - GROUP SHARE

(In millions of euros)	2023	2024
Adjusted EBITDA	236	216
Depreciation, amortisation and impairment	(157)	(164)
Adjusted EBIT	79	53
Free share plans (LTIP)	(3)	(2)
Other non-recurring income and expenses	(26)	(35)
Operating profit	51	16
Cost of net debt	(27)	(31)
Other financial income and expenses	(1)	(2)
Financial income (expense)	(28)	(32)
Profit/(loss) before tax	23	(16)
Income tax expense	(11)	(7)
Net profit for the period	11	(24)

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment consist of the regular depreciation on equipment (in particular furniture, fixtures and IT equipment in stores and warehouses), as well as the amortisation of intangible assets (mostly IT licenses). Provisions mainly consist of provisions for current assets, risks, pension commitments and disputes.

The depreciation, amortisation and provision expense amounted to €164 million in 2024 (including €112 million in depreciation of right-of-use assets) compared to €157 million in 2023 (including €110 million in depreciation of right-of-use assets). Excluding the impact of IFRS (IFRS 16 and IAS 38), they increased from 3.8% of sales in 2023 to 4.2% of sales in 2024, under the effect of accelerated depreciation of stores that the Group decided to close.

Adjusted EBIT

As a result of all the above items, adjusted EBIT stood at €53 million in 2024, i.e. 4.4% of revenue compared to €79 million in 2023 (6.5% of revenue).

Free share plans

In 2024, SMCP recorded an expense of approximately €1.8 million related to free share award plans in 2024, compared to an expense of €3 million in 2023. SMCP delivers free share plans primarily using share buyback programmes. However, it should be noted that during the 2024 financial year, the Company did not buy back any shares, due to a sufficient stock of shares held at the beginning of the financial year.

Current operating income

As a result, current operating income amounted to €51 million in 2024 compared to €77 million in 2023.

Other non-recurring income and expenses

Other non-recurring income and expenses comprise income statement items which, due to their nature, amount or frequency, may not be considered as inherent to the Group's recurring operations. This item includes in particular (i) the costs incurred at the acquisition or creation of new entities, (ii) any provisions for impairment of brands, leasehold rights and goodwill and any material profits or losses recognised on the disposal of non-current assets, (iii) the costs of capital transactions, expenses incurred for disputes, or any other non-recurring income or expenses, including the free share plans which the Group presents separately to facilitate understanding of the current operating performance and to give the reader of the financial statements useful information to provisionally assess results.

Other non-recurring expenses were -€35 million in 2024 (compared to -€26 million in 2023) and consist mainly of impairment of stores and goodwill, in accordance with IFRS 16. They do not result in an outflow of cash for the Group.

Financial income (expense)

Financial income and expenses include financial items recognised in net profit or loss for the period, including interest expenses payable on financial instruments calculated using the effective interest method (mainly current account overdrafts and medium- to long-term financing), foreign exchange profits and losses, gains and losses on derivative instruments, dividends received, and the portion of financial expenses arising from the accounting treatment of employee benefits (IAS 19).

Against a backdrop of ongoing high interest rates and margins, financial expenses, are increasing from -€28 million in 2023 (including -€11 million in financial interest on lease liabilities) to -€32 million in 2024 (including -€12 million in financial interest on the lease liability). The average cost of drawn debt (excluding the lease liability) was 5.1% in 2024.

Profit/(loss) before tax and income tax expense

The income tax expense includes current and deferred taxes. Income tax is recorded in net profit or loss for the period, unless it is triggered by transactions recorded directly in shareholders' equity. In this case, the corresponding deferred tax liabilities are also recognised under shareholders' equity.

Current taxes on taxable income for the period represent the tax burden determined by using the tax rates in effect at the reference date and any adjustments to the tax payables calculated during previous periods.

Deferred tax liabilities refer to temporary differences between the carrying amounts of assets and liabilities of consolidated companies and their respective tax values relevant for determination of future taxable income.

Loss before tax was -€16 million in 2024, compared to a profit of €23 million in 2023.

Net profit for the period - Group share

As a result of the factors described above, the Group's net profit for the period amounted to -€24 million in 2024, down over the financial year (compared to a profit of €11 million in 2023).

5.2.4.7 CHANGE FROM NET PROFIT FOR THE PERIOD - GROUP SHARE TO NET EARNINGS PER SHARE (EPS)

	Financial year ended 12/31	
	2023	2024
Net profit for the period – Group share (in €M)	11	(24)
Average number of shares		
Before dilution ⁽¹⁾	75,059,385	75,250,537
After dilution ⁽²⁾	78,447,461	78,109,032
EPS (in €)		
Before dilution	0.15	(0.31)
After dilution	0.14	(0.31)

(1) Average number of common shares, minus existing treasury shares held by the Company.

(2) Average number of ordinary shares, less treasury shares held by the Company and plus any ordinary shares that may be issued in the future. They include the conversion of class G preferred shares (2,735,711 shares) and the long-term performance plan shares (LTIP) which are prorated according to the performance criteria achieved as of December 31, 2024 (122,784 shares).

5.3 Cash flow

5.3.1 Free cash flow

In 2024, the Group generated €49 million in free cash flow. Despite the contraction in EBITDA, this generation represents a very strong increase compared to the previous financial year (€14 million in 2023), generated primarily in the second half of the year.

In 2024, the Group maintained strict control of its inventories and investments throughout the year.

Net cash flow from operating activities increased from €211 million to €234 million, despite a decrease in operating cash flow, thanks to a positive change in tax paid and working capital requirement. At the end of 2024, inventories decreased from €282 million at December 31, 2023 to €260 million at December 31, 2024. This change reflects more reliable inventory management as well as an efficient liquidation of old collections.

With regard to investments, CapEx disbursements as a proportion of revenue decreased to 3.4% of sales in 2024. While the Group continued to invest in strategic cross-functional projects (information systems), capital expenditure in stores was monitored in a complex commercial environment.

The repayment of the lease liability corresponds to the application of IFRS 16 and amounts to €127 million.

Lastly, with regard to the interest expense, the increase recorded between 2023 and 2024 is part of a context of rates that remained relatively high throughout the year.

<i>(In millions of euros)</i>	2023	2024
Operating cash flow	232	215
Change in working capital requirement	(4)	29
Income tax refunded/(paid)	(17)	(10)
Net cash flow from operating activities	211	234
Capital expenditure (operational and financial)	(51)	(39)
Lease payment reimbursement	(128)	(127)
Interest paid and other	(17)	(19)
Net foreign exchange difference	(1)	1
Free cash flow	14	49

5.3.2 Consolidated cash flow

The table below summarises the Group's cash flow for 2023 and 2024:

	Financial year ended 12/31	
	2023	2024
Operating cash flow	232	215
(Increase)/decrease in trade and other receivables and prepayments	(3)	16
(Increase)/decrease in net inventories after provisions	10	25
Increase/(decrease) in trade and other payables	(11)	(12)
Change in working capital requirement	(4)	29
Reimbursed/(paid) income tax	(17)	(10)
Net cash flow from operating activities	211	234
Purchases of property, plant and equipment and intangible assets	(54)	(44)
Sales of property, plant, equipment and intangible assets	4	3
Purchases of financial instruments	(3)	(2)
Proceeds from sales of financial instruments	3	4
Acquisitions of subsidiaries net of acquired cash	(6)	-
Net cash flow used in investing activities	(57)	(39)
Treasury shares buyback programme	(2)	(0)
Issuance of liabilities	33	-
Reimbursement of financial liabilities	(76)	(56)
Lease payment reimbursement	(128)	(127)
Other financial income and expenses	(1)	(0)
Interest paid	(16)	(19)
Net cash flow from financing activities	(191)	(203)
Net currency translation adjustments	(1)	1
Change in net cash and cash equivalents	(38)	(7)
Net cash and cash equivalents at the beginning of the period	71	34
Net cash and cash equivalents at the end of the period	34	27

Net cash from financing activities represented a net cash outflow of €203 million in the 2024 financial year.

The change in financial liabilities mainly includes the repayment of €10 million for the Term Loan A and €33 million of State-

Guaranteed Loans, together with a €10 million reduction in the RCF drawdown. NEU CP's outstanding amount remained stable in 2024.

5.3.3 Main uses of the Group's cash and investment policy

5.3.3.1 CAPITAL EXPENDITURE

The Group's capital expenditure is mainly operational and aims to support growth in its current and future markets, in all distribution channels (physical and digital). Expenditure falls into the following categories:

- new points of sale openings,
- renovations of existing points of sale,
- infrastructure and other expenses (including registered office costs, investments related to information, logistics and digital systems).

The Group's capital expenditure for the 2024 financial year corresponds to an outflow of €41 million which includes the opening of new points of sale (approximately 50% of the total), the renovation and maintenance of existing points of sale (approximately 20% of the total) and infrastructure and other expenses (approximately 30% of the total).

5.3.3.2 PAYMENT OF INTEREST AND REPAYMENT OF LOANS

A significant part of the Group's cash flow is allocated to servicing and reimbursing its debt, as indicated in paragraph 5.3.1.

Information on payment terms for suppliers and customers

In accordance with Articles L. 441-6-1, D. 441-1 and D. 441-4 of the French Commercial Code, information on payment terms for suppliers and customers is presented below:

	Article D. 441 I. -1°: Invoices received but not paid						Article D. 441 I.-2° : Invoices issued but not paid					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total (1 day and more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total (1 day and more)
<i>(In thousands of euros)</i>												
(A) Late payment bands												
Number of invoices concerned	6	3	3	3	-	9	9	-	-	-	-	-
Total amount of invoices concerned (incl. Tax)	19	98	9	173	-	280	718	-	-	-	-	-
Percentage of total invoices concerned (incl. Tax)	1.4%	7.6%	0.7%	13.3	-	21.6%						
Percentage of revenue for the year (incl. Tax)							9.8%	-	-	-	-	-
(B) Invoices excluded from (A) relating to disputed or unrecognised payables or receivables												
Total number of excluded invoices	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of excluded invoices (incl. Tax)	-	-	-	-	-	-	-	-	-	-	-	-
(C) Reference payment terms used (contractual or legal term – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Payment terms used to calculate late payments	Contractual terms: between 30 and 45 days, end of month						Contractual terms: 30 days					
	Legal terms: 45 days, end of month						Legal terms: 45 days, end of month					

5.4 Financial structure

5.4.1 Statement of financial position (balance sheet)

ASSETS

<i>(In millions of euros)</i>	As of 12/31/2023	As of 12/31/2024
Goodwill	627	604
Intangible assets & right-of-use	1,120	1,139
Property, plant and equipment	83	80
Non-current financial assets	19	17
Deferred tax assets	32	30
Non-current assets	1,881	1,870
Inventories	282	260
Trade and related receivables	68	69
Other receivables	69	51
Cash and cash equivalents	51	49
Current assets	470	429
TOTAL ASSETS	2,351	2,298

EQUITY & LIABILITIES

<i>(In millions of euros)</i>	As of 12/31/2023	As of 12/31/2024
Total equity	1,180	1,163
Long-term lease liabilities	306	344
Long-term financial borrowings	224	159
Other non-current liabilities	0	1
Non-current provisions	1	5
Net employee defined benefit liabilities	5	5
Deferred tax liabilities	167	164
Non-current liabilities	702	676
Trade and other payables	162	143
Short-term lease liabilities	107	101
Bank overdrafts and short-term borrowings and debt	114	126
Short-term provisions	1	2
Other liabilities	85	87
Current liabilities	469	459
TOTAL EQUITY AND LIABILITIES	2,351	2,298

5.4.2 Financing structure

5.4.2.1 OVERVIEW

In addition to cash, which mainly includes net cash flows from operating activities, the Group mainly uses bank financing, which mainly includes an amortisable loan (Term Loan A), a Revolving Credit Facility and State Guaranteed Loans (PGE), as well as a NEU CP programme and short-term bank overdrafts. SMCP Group SAS is the principal borrower and the Company is the guarantor of the

borrower, with the exception of State Guaranteed Loans. All medium- and long-term loans mentioned above are denominated in euro.

In addition, the Group has adopted a policy of short-term investment of its cash with its partner banks.

5.4.2.2 FINANCIAL LIABILITIES

Net financial liabilities

<i>(In millions of euros)</i>	As of 12/31/2023	As of 12/31/2024
Long-term financial borrowings & other non-current liabilities	(224)	(159)
Bank overdrafts and short-term borrowings and debt	(114)	(126)
Cash and cash equivalents	51	49
Net financial liabilities	(286)	(237)
Adjusted EBITDA excluding IFRS 16 over the last twelve months	112	92
Net financial liabilities/adjusted EBITDA	2.55x	2.57x

Net **financial liabilities** reduced by €49 million, from €286 million on December 31, 2023 to €237 million on December 31, 2024. This decrease in net debt nearly offsets the decrease in EBITDA, which results in a virtually stable net financial liabilities/EBITDA ratio^[1],

progressing from 2.55x on December 31, 2023 to 2.57x on December 31, 2024. As the ratio is slightly above the contractual level (2.5x), a waiver was granted by the lending banks in December 2024.

Financial liabilities

The Group's financial liabilities were €337 million at December 31, 2023 and €285 million at December 31, 2024.

The table below shows the breakdown of the Group's gross debt on the dates indicated:

<i>(In millions of euros)</i>	Financial year ended 12/31	
	2023	2024
Loans	260	217
Term Loan A	100	90
State Guaranteed Loans	160	127
Current bank overdrafts	17	22
Other loans and borrowings	60	48
NEU CP	25	25
Other borrowings and accrued interests	35	22
Gross financial liabilities	337	286

[1] Adjusted EBITDA excluding IFRS 16 over the last twelve months.

The main items comprising the Group's financial liabilities are described below.

The Credit Facility: Term Loan A and Revolving Credit Facility – €465 million

The Term Loan A and the Revolving Credit Facility were set up in May 2019. This facility was granted by a syndicate of 14 international banks. It does not provide any collateral.

The Term Loan A is a loan of €265 million fully drawn on signature. Initially repayable in three tranches of €55 million in 2021, 2022 and 2023, and one tranche of €100 million in 2024; this last maturity was extended by two years. Following a repayment of €10 million in 2024, the next repayment maturities are €15 million in 2025 and €75 million in 2026.

The Revolving Credit Facility of €200 million which initially matured in May 2024 has been extended to May 2026. It comprises a €50 million instalment known as a "swingline" which allows withdrawals in daily value. At December 31, 2024, €15 million were drawn.

The NEU CP programme – €200 million

The NEU CP is a commercial paper programme in euros deposited with the Banque de France and whose maximum amount of use is €200 million. It aims to optimise the Group's cost of debt and diversify its sources of financing. At the end of the 2024 financial year, the amount issued was €25 million.

The State Guaranteed Loans (PGE) – €140 million and €53 million

The first State Guaranteed Loan is a loan of €140 million fully drawn on the date of signature in June 2020. This loan, guaranteed by the French State at 90%, and with an initial 12-month maturity, has been extended until June 2026.

The second State Guaranteed Loan, for an amount of €53 million, was issued in June 2021, and its maturity has been extended until June 2027.

At the end of 2024, the total principal outstanding for these two State-guaranteed loans was €127 million.

Other loans

In 2023, a loan of €5 million was taken out to finance the acquisition of the distribution partner in Australia and New Zealand. This loan will be repaid in half-yearly tranches from January 2024 to July 2026. At the end of the 2024 financial year, the outstanding capital was €3.4 million.

5.4.2.3 INTEREST AND FEES

Loans contracted under the Credit Facility will bear interest at an EURIBOR-indexed floating rate for the drawn period, increased by the applicable margin.

The applicable margin as of December 31, 2024 was 2.6% per annum for the Term Loan A and 2.20% per annum for the Revolving Credit Facility (RCF). In 2025, taking into account the leverage ratio at December 31, 2024, the applicable margin increases to 2.45% per year for the Term Loan A and 2.05% per year for the RCF.

The table below shows the spread of the margin according to the Group's leverage ratio (total net debt/consolidated EBITDA [excluding IFRS 16 impact]):

<i>Leverage ratio (Total net debt/consolidated EBITDA before IFRS 16)</i>	Term Loan A	RCF margin
≥ 4.0x	2.90%	2.50%
< 4.0x and ≥ 3.5x	2.75%	2.35%
< 3.5x and ≥ 3.0x	2.60%	2.20%
< 3.0x and ≥ 2.5x	2.45%	2.05%
< 2.5x and ≥ 2.0x	2.30%	1.90%
< 2.0x and ≥ 1.5x	2.15%	1.75%
< 1.5x and ≥ 1.0x	2.00%	1.60%
< 1.0x	1.85%	1.45%

With respect to the Revolving Credit Facility alone, the Group must pay a commitment fee equal to 35% of the applicable margin per annum, calculated on the basis of the undrawn and non-cancelled commitments.

Once past the first year, State Guaranteed Loans now bear interest. The Group bears costs related to the State guarantee.

Regarding its NEU CP issue programme, the issue price shall be a function of demand and supply on this market and the maturity of the issued securities. The Group reported an average rate of 4.5% of debt issued per year for all issues made in 2024.

5.4.2.4 UNDERTAKINGS AND COVENANTS

The Credit Facility and the State Guaranteed Loans contain certain undertakings to do or not do, including not to:

- delist SMCP SA;
- carry out mergers (with the exception of mergers that do not involve the Company itself);
- dispose of significant assets;
- implement a change in the nature of the Group's business activities;
- with, in certain cases, reserves of stipulated amounts and the usual exceptions for this type of financing.

The Credit Facility and State Guaranteed Loans also require the Group to maintain a leverage ratio that limits the amount of debt that can be contracted by the Group (see section 5.4.2.3 "Interest and fees" above) and restricts the payment of dividends by SMCP SA to its shareholders. The Group may distribute a maximum of 50% of the consolidated annual net profit for the period.

The State Guaranteed Loans contain additional commitments, including:

- not to raise additional debt as long as the leverage ratio is not less than 3.0x;
- not to carry out any acquisitions as long as the leverage ratio is not less than 2.5x, and to limit acquisitions to an amount of €25 million per year in the following years and solely with a view to acquiring a Group distributor partner.

5.4.2.5 VOLUNTARY EARLY REPAYMENT

The Credit Facility and State Guaranteed Loans allow voluntary prepayments with prior notice. Reuse costs will apply if the early repayment is made at a date other than the end of an interest period.

5.4.2.6 MANDATORY EARLY REPAYMENT

The Credit Facility and the State Guaranteed Loans provide for mandatory early repayment in the event of a change of control, defined as the situation where a shareholder other than the majority shareholder on the loan issue date (European TopSoho S.à r.l.) takes control of the Company by holding more than 50% of the voting rights, or in the event of the delisting or disposal of the Group's entire business and/or assets.

The State Guaranteed Loans also provide for mandatory early repayment in the event of voluntary early repayment of the Credit Facility and in the event of debt issuance on the capital markets.

5.5 Outlook

The forecasts, objectives and trends presented below are based on data, assumptions and estimates, particularly in terms of economic outlook, considered reasonable by the Group at the date of this universal registration document.

The figures, data, assumptions, estimates and objectives presented below may change or be amended in an unpredictable way, depending on, among other factors, changes in the economic, financial, competitive, legal, regulatory, accounting and tax environments or depending on other factors that the Group may not be aware of at the date of publication of this universal registration document.

In addition, the materialisation of certain risks described in section 2.1 "Risk factors" of this universal registration document could have a negative impact on the Group's business, financial position, market situation, results or outlook and, therefore, call into question its ability to achieve the forecasts and objectives presented below.

In addition, the achievement of these forecasts and objectives assumes the success of the Group's strategy and its implementation.

Consequently, the Group does not make any commitment or guarantee that the objectives and forecasts set out in this section will be achieved.

OUTLOOK

For several years, the retail sector has faced persistent uncertainty about market conditions, due to macro-economic, political and geopolitical and health factors. In early 2024, after a particularly adverse macroeconomic environment in 2023, the Group launched a medium-term action plan based on four priorities:

- **boost growth and gain market share**, specifically by working on brand appeal and positioning, the structure of the collections and creating a more varied product offering;

- **take full advantage of a balanced and diversified global geographic footprint**, specifically by rebalancing the geographical footprint by region for directly operated stores, while accelerating development in the countries in which the Group distributes its products via local distributors. The Group therefore announced its intention to close one third of the physical stores in Mainland China in 2024 (65 closures in 2024), in view of the drop in footfall observed in the Chinese market, as well as a medium-term plan to close around 30 Claudie Pierlot stores, mainly in Europe;

- **improve agility and take advantage of the latest innovations to improve efficiency for profitability**, for example by optimising material and product purchases, accelerating CSR innovations and adjusting the Claudie Pierlot and Fursac business models to increase profitability;

- **disciplined management for increased profitability and a solid financial structure**, through a systematic review of all cost lines, in order to achieve:

- an adjusted EBIT margin of 12% over five years (approximately 10% in 2026). Cost optimisation plans should lead to an EBIT improvement of €25 million per year from 2026. It should be noted that the effects of this action plan are expected to increase year after year: the initial benefits already started to show in 2024, despite the commitment of certain implementation costs. The benefits of these actions should intensify in 2025 and reach full effect in 2026;
- €50 million in free cash flow generated in 2026.

2025 must therefore form part of this journey. Given that 2024 was still affected by difficult consumer trends, the achievement of an adjusted EBIT target of around 10% is expected towards the second half of 2026. The ramping-up of the effects of the action plans, as described above, should lead to an increase in the adjusted EBIT margin in 2025 followed by an acceleration in 2026.



Financial statements

6.1	Consolidated financial statements	260	6.2	Financial statements of the parent company	312
6.1.1	Consolidated financial statements	260	6.2.1	Financial statements of the parent company SMCP SA	312
6.1.2	Notes to the consolidated financial statements	266	6.2.2	Notes to the financial statements	315
6.1.3	Auditors' Report on the Consolidated Financial Statements	308	6.2.3	Auditors' report on the annual financial statements	322
			6.2.4	Table of results over the last five financial years	326

6.1 Consolidated financial statements

6.1.1 Consolidated financial statements

6.1.1.1 CONSOLIDATED INCOME STATEMENT

<i>(In millions of euros)</i>	Notes	12/31/2023	12/31/2024
Revenue	5.1	1,230.5	1,211.7
Cost of sales	5.2	(455.3)	(448.4)
Gross Margin		775.2	763.3
Other operating income and expenses	5.3	(259.1)	(257.7)
Personnel costs	5.4	(279.7)	(289.2)
Depreciation, amortisation and impairment		(156.9)	(163.5)
Free share plans (LTIP)	5.5	(3.0)	(1.8)
Current operating income		76.5	51.2
Other income and expenses	5.6	(25.9)	(35.2)
Operating profit		50.5	16.0
Financial income and expenses		(0.8)	(1.8)
Cost of net debt		(27.1)	(30.6)
Financial income (expense)	5.7	(27.9)	(32.4)
Profit/(loss) before tax		22.6	(16.4)
Income tax expense	5.8	(11.4)	(7.2)
Net profit for the period		11.2	(23.6)
Net profit for the period - Group share		11.2	(23.6)
Basic earnings per share - Group share <i>(in €)</i>	5.9	0.15	(0.31)
Diluted earnings per share - Group share <i>(in €)⁽¹⁾</i>	5.9	0.14	(0.31)

(1) The diluted earnings per share cannot have an accretive effect; therefore, it is identical to the earnings per share as of December 31, 2024.

6.1.1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(In millions of euros)</i>	Notes	12/31/2023	12/31/2024
Net profit for the period		11.2	(23.6)
Actuarial losses on defined benefit plans, net of tax	6.13	(0.3)	0.6
Items that may not be reclassified to profit or loss		(0.3)	0.6
Gains/(losses) on derivative financial instruments(cash flow hedges), net of tax	6.17	(1.2)	(0.2)
Gains/(losses) on exchange differences on translation of foreign operations		(2.0)	3.6
Items that may be reclassified to profit or loss		(3.2)	3.4
Other comprehensive income/(loss), net of tax		(3.5)	4.0
TOTAL COMPREHENSIVE INCOME/(LOSS)		7.7	(19.6)

6.1.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

<i>(In millions of euros)</i>	Notes	12/31/2023	12/31/2024
Goodwill	6.1.1	626.7	604.3
Trademarks	6.1.2	663.0	663.0
Other intangible assets	6.1.2	12.0	12.1
Property, plant and equipment	6.2	83.1	79.7
Rights of use	6.3.1	445.4	464.0
Non-current financial assets	6.5	18.5	16.8
Deferred tax assets	5.8.2	32.0	29.6
Non-current assets		1,880.7	1,869.6
Inventories	6.6	281.8	260.2
Trade and related receivables	6.7	68.2	69.0
Other current assets	6.8	69.2	50.8
Cash and cash equivalents	6.9	50.9	48.5
Current assets		470.1	428.5
TOTAL ASSETS		2,350.8	2,298.1

EQUITY AND LIABILITIES

<i>(In millions of euros)</i>	Notes	12/31/2023	12/31/2024
Share capital		83.9	83.9
Share premium		949.5	949.5
Reserves and retained earnings		151.7	133.3
Treasury shares		(5.0)	(3.6)
Equity - Group share	6.10	1,180.1	1,163.1
Total equity		1,180.1	1,163.1
Long-term lease liabilities	6.3.2	305.7	343.5
Long-term financial borrowings	6.11	223.5	158.7
Other non-current liabilities	6.11	0.1	0.6
Non-current provisions	6.12	0.7	4.9
Net employee defined benefit liabilities	6.13	4.9	4.6
Deferred tax liabilities	5.8.2	166.9	163.9
Non-current liabilities		701.8	676.2
Trade and other payables	6.14	161.9	143.4
Short-term lease liabilities	6.3.2	106.6	100.7
Bank overdrafts and short-term borrowings and debt	6.11	113.6	126.4
Short-term provisions	6.12	1.3	1.6
Other current liabilities	6.15	85.5	86.7
Current liabilities		468.9	458.8
TOTAL EQUITY AND LIABILITIES		2,350.8	2,298.1

6.1.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(In millions of euros)</i>	Notes	12/31/2023	12/31/2024
Profit/(loss) before tax	6.1.1.1	22.6	(16.4)
Depreciation, amortisation and impairment		156.9	163.5
Financial income		27.9	32.4
Other income and expenses without counterpart in cash		24.5	35.3
Operating cash flow⁽¹⁾		232.0	214.7
(Increase)/decrease in trade and other receivables and prepayments		(2.6)	16.3
(Increase)/decrease in inventories net of provisions		9.7	25.2
Increase/(decrease) in trade and other payables		(10.8)	(12.2)
Change in working capital requirement		(3.7)	29.3
Reimbursed/(paid) income tax		(16.9)	(10.1)
Net cash flow from operating activities		211.4	233.9
Purchases of property, plant and equipment and intangible assets	6.1.2 / 6.2	(54.2)	(43.7)
Proceeds from sales of property, plant, equipment and intangible assets ⁽²⁾		3.5	2.5
Purchases of financial instruments		(3.5)	(1.6)
Proceeds from sales of financial instruments		2.9	3.8
Acquisitions of subsidiaries net of acquired cash	3	(6.1)	-
Net cash flow used in investing activities		(57.3)	(38.8)
Treasury shares buyback programme		(2.4)	(0.4)
Issuance of financial liabilities	6.11	32.6	-
Reimbursement of financial liabilities		(76.2)	(55.5)
Lease payment reimbursement	6.3	(128.2)	(127.5)
Other financial income and expenses	5.7	(0.8)	(0.3)
Interest paid	5.7	(16.3)	(18.9)
Net cash flow from financing activities		(191.3)	(202.6)
Net foreign exchange difference		(0.5)	0.5
CHANGE IN NET CASH AND CASH EQUIVALENTS		(37.7)	(7.0)
Cash and cash equivalents at the beginning of the period		73.3	50.9
Bank credit balances at the beginning of the period		(2.0)	(17.2)
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6.9	71.3	33.7
Cash and cash equivalents at the end of the period		50.9	48.5
Bank credit balances at the end of the period		(17.2)	(21.7)
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.9	33.7	26.8

(1) The "Operating Cash Flow" aggregate was also presented as of December 31, 2023, in order to improve the comparison of the two financial years.

(2) Disposals of property, plant and equipment and intangible assets were presented in the same way in 2023 and in 2024.

6.1.1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(In millions of euros)</i>	Notes	Number of shares	Share capital	Share premium	Treasury shares	Reserves and retained earnings
BALANCE AT JANUARY 1, 2023	6.10.1	75,535,338	83.9	949.6	(7.7)	91.3
Net profit at December 31, 2023		-	-	-	-	-
Cumulative actuarial losses on defined benefit plans, net of tax		-	-	-	-	-
Gains/(losses) on exchange differences on translation of foreign operations		-	-	-	-	-
Gains/(losses) on derivative financial instruments (cash flow hedges), net of tax		-	-	-	-	-
Other comprehensive income/(loss)		-	-	-	-	-
Total comprehensive income/(loss)		-	-	-	-	-
Appropriation of N-1 income		-	-	-	-	51.3
Dividend paid		-	-	-	-	-
Capital increase/(decrease)		-	-	-	-	-
Conversion of free shares		-	-	-	-	-
Conversion of class G preferred shares		753,192	-	-	-	-
Free Share Plan (LTIP)		-	-	-	5.1	(2.4)
Purchase of treasury shares		-	-	-	(2.4)	-
Total transactions with shareholders		753,192	-	-	2.7	48.9
BALANCE AT DECEMBER 31, 2023		76,288,530	83.9	949.5	(5.0)	140.2
Net profit at December 31, 2024		-	-	-	-	-
Cumulative actuarial losses on defined benefit plans, net of tax		-	-	-	-	-
Gains/(losses) on exchange differences on translation of foreign operations		-	-	-	-	-
Gains/(losses) on derivative financial instruments (cash flow hedges), net of tax		-	-	-	-	-
Other comprehensive income/(loss)		-	-	-	-	-
Total comprehensive income/(loss)		-	-	-	-	-
Appropriation of N-1 income		-	-	-	-	11.2
Dividend paid		-	-	-	-	-
Capital increase/(decrease)		-	-	-	-	-
Conversion of free shares		-	-	-	-	-
Conversion of class G preferred shares		-	-	-	-	-
Free Share Plan (LTIP)		-	-	-	1.8	1.1
Purchase of treasury shares		-	-	-	(0.4)	-
Total transactions with shareholders		-	-	-	(1.4)	12.3
BALANCE AT DECEMBER 31, 2024		76,288,530	83.9	949.5	(3.6)	152.5

Revaluation of defined benefit liabilities	Translation adjustment	Future cash flow hedges	Net profit for the period - Group Share	Total Group share	Total equity
1.6	1.1	1.0	51.3	1,172.1	1,172.1
-	-	-	11.2	11.2	11.2
(0.3)	-	-	-	(0.3)	(0.3)
-	(2.0)	-	-	(2.0)	(2.0)
-	-	(1.2)	-	(1.2)	(1.2)
(0.3)	(2.0)	(1.2)	-	(3.5)	(3.5)
(0.3)	(2.0)	(1.2)	11.2	7.7	7.7
-	-	-	(51.3)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2.7	2.7
-	-	-	-	(2.4)	(2.4)
-	-	-	(51.3)	0.3	0.3
1.3	(0.9)	(0.2)	11.2	1,180.1	1,180.1
-	-	-	(23.6)	(23.6)	(23.6)
0.6	-	-	-	0.6	0.6
-	3.6	-	-	3.6	3.6
-	-	(0.2)	-	(0.2)	(0.2)
0.6	3.6	(0.2)	-	4.0	4.0
0.6	3.6	(0.2)	(23.6)	(19.6)	(19.6)
-	-	-	(11.2)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2.9	2.9
-	-	-	-	(0.4)	(0.4)
-	-	-	(11.2)	2.4	2.4
1.9	2.8	(0.4)	(23.6)	1,163.1	1,163.1

6.1.2 Notes to the consolidated financial statements

Note 1	General information	267	Note 6	Notes to the Statement of financial position	281
1.1	Presentation of the Group	267	6.1	Goodwill and intangible assets	281
1.2	Significant events	267	6.2	Property, plant and equipment	284
1.3	Basic principles and declaration of compliance	267	6.3	Lease agreements	285
Note 2	Accounting rules and policies	268	6.4	Impairment tests	289
2.1	Basic principles and statement of compliance	268	6.5	Non-current financial assets	291
2.2	Changes in accounting framework applicable to SMCP	268	6.6	Inventories	291
2.3	Accounting policies	268	6.7	Trade and related receivables	292
2.4	Judgements and estimates	268	6.8	Other current assets	293
2.5	Consideration of climate risks	269	6.9	Cash and cash equivalents	293
2.6	Consolidation principles	269	6.10	Equity	294
2.7	Translation of foreign currency financial statements	269	6.11	Financial liabilities	295
Note 3	Changes in scope	270	6.12	Current and non-current provisions	296
Note 4	Segment information	271	6.13	Employee benefits	297
4.1	Group Operating Segments	271	6.14	Trade and other payables	298
4.2	Financial information by operating segment	271	6.15	Other current liabilities	298
4.3	Key performance indicators	272	6.16	Fair value of financial assets and liabilities	298
4.4	By geographical segment	273	6.17	Financial instruments and market risk management	300
4.5	Information by major customers	273	Note 7	Off-balance sheet commitments	303
Note 5	Information on the income statement	274	7.1	Commitments received	303
5.1	Revenue	274	7.2	Commitments given	303
5.2	Cost of sales	275	Note 8	Additional information	304
5.3	Other operating income and expenses	275	8.1	Headcount	304
5.4	Personnel costs	275	8.2	Statutory Auditors' fees	304
5.5	Share-based payments	276	8.3	Related-party transactions	304
5.6	Other income and expenses	277	8.4	Scope of consolidation	306
5.7	Financial income and expenses	278	8.5	Subsequent events	307
5.8	Income tax expense	278			
5.9	Earnings per share	280			

Note 1

General information

The financial statements were approved by the Board of Directors on February 27, 2025 and will be approved by the General Meeting of June 12, 2025.

The consolidated financial statements presented are "condensed" insofar as they only include the notes to the financial statements that are significant or provide an understanding of changes in the Group's business and financial position during the financial year. They are extracted from the consolidated financial statements approved by the Board of Directors, including all the Notes to the financial statements required by IFRS as adopted by the European Union.

1.1 PRESENTATION OF THE GROUP

SMCP SA was incorporated in France on April 19, 2016 as a joint stock company (Société Anonyme par Actions).

The consolidated Group (the "Group") includes the parent company, SMCP SA, and its subsidiaries. The Company's registered office is located at 49, rue Étienne Marcel, 75001 Paris, France. It has been listed on Euronext Paris since October 2017.

The Group's main business activities include the creation and sale of apparel and accessories on the accessible luxury segment under the Sandro, Maje, Claudie Pierlot and Fursac brands mostly through stores, corners in department stores or its own websites, in France and internationally.

At December 31, 2024, the Group operated 1,662 stores (including 755 Sandro, 621 Maje, 209 Claudie Pierlot and 77 Fursac), of which 1,293 were directly operated (including 564 Sandro, 468 Maje, 185 Claudie Pierlot and 76 Fursac), and 369 were partnered. These brands are present internationally in 48 countries.

1.2 SIGNIFICANT EVENTS

A year once again marked by a difficult economic context, particularly in China

After 2023 was already marked by a particularly adverse macroeconomic context, 2024 continued in a similar vein, particularly in China. In this context, the Group took measures to optimise the network, which resulted in a net decrease in the network of 68 points of sale, mainly in its directly operated network (80 closures), partially offset by continued development of points of sale with distribution partners (12 net openings, including some new countries such as Indonesia). China accounted for 65 closures. Point of sale closures were also observed for the Claudie Pierlot brand.

1.3 BASIC PRINCIPLES AND DECLARATION OF COMPLIANCE

The Group's consolidated financial statements as of December 31, 2024 cover the 2024 calendar year.

All amounts are expressed in millions of euros unless stated otherwise.

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS, see Note 2.2) as adopted by the European Union and mandatory as of December 31, 2024; no standards or interpretations were applied early.

These standards and interpretations are available on the European Union website (see Note 2.2 for details of new texts applied and texts applicable subsequently).

The consolidated financial statements were prepared on a historical cost basis, except for financial assets and liabilities that have been measured at fair value in accordance with IFRS.

Note 2

Accounting rules and policies

2.1 BASIC PRINCIPLES AND STATEMENT OF COMPLIANCE

Pursuant to Regulation (EC) No. 1606/2002 of July 19, 2002, the consolidated financial statements of the SMCP Group for the 2024 financial year have been prepared in compliance with the International Financial Reporting Standards as published and approved by the European Union as of December 31, 2024, the application of which is mandatory as of that date.

These International Standards include the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards) and the interpretations of the IFRS IC (International Financial Reporting Standards Interpretations Committee).

All these texts adopted by the European Union are available on the European Union legislation website at: <http://eur-lex.europa.eu/homepage.html>.

2.2 CHANGES IN ACCOUNTING FRAMEWORK APPLICABLE TO SMCP

2.2.1 Pillar 2

On October 8, 2021, the OECD/G20 Inclusive Framework approved a two-pillar solution to reform the international tax system and respond to the tax challenges arising from the digitalisation of the economy. The first pillar ("Pillar One") aims to introduce new rules to reallocate certain amounts of taxable income to market jurisdictions, while the second pillar ("Pillar Two") aims to introduce a minimal effective tax rate of 15%.

Although the Group does not fall within the scope of Pillar One, it meets the threshold criteria for the application of Pillar Two. The work carried out by the Group as of December 31, 2024 did not result in any additional tax. The Group was able to benefit from Safe Harbour measures.

2.2.2 Standards, amendments and interpretations adopted by the European Union and applicable on January 1, 2024

The standards, amendments and interpretations that are mandatory from January 1, 2024, are listed below:

- amendments to IAS 1 – "Presentation of financial statements – Classification of liabilities as current and non-current; Liabilities with covenants";
- amendments to IFRS 16 – "Leases – Lease liabilities in a sale and leaseback";
- amendments to IAS 7 – "Statement of Cash Flows and IFRS 7 – Financial instruments – Supplier financing arrangements";

An analysis of the texts in force at January 1, 2024, showed that there was no significant effect on the consolidated financial statements at December 31, 2024.

2.2.3 Standards, amendments and interpretations applicable no earlier than January 1, 2025

At the closing date of the consolidated financial statements, the Group is in the process of analysing the impact of the standards, amendments and interpretations approved by the European Union and applicable no earlier than January 1, 2025:

- amendment to IAS 21 – Effect of changes in foreign exchange rates: non-convertibility.

2.2.4 Standards, amendments and interpretations published and not yet approved by the European Union

- IFRS 18 – "Presentation and Disclosure in Financial Statements";
- Improvement to IFRS 9 – "Financial Instruments and IFRS 7 – Financial Instruments: disclosures; Changes in the classification and measurement of financial instruments";
- Annual improvements – "Annual improvement process for IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7";

At the closing date of the consolidated financial statements, the Group was in the process of analysing the impact of the applicable standards, amendments and interpretations, in particular IFRS 18 for which it has begun analysis to anticipate any need to adapt internal processes for producing financial statements and updating information systems.

2.3 ACCOUNTING POLICIES

In each of the notes to this document, the accounting policies applied by the Group are presented in a highlighted text box.

2.4 JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires Management to make judgements and estimates which are based upon certain assumptions and have an impact on the amounts of assets, liabilities, income and expenses reported in those financial statements. The main estimates and assumptions relate to:

- measurement of intangible assets and goodwill (Note 6.4);
- measurement of deferred tax assets (Note 5.8);
- determination of provisions (Note 6.12) and uncertain tax positions;
- the estimate of lease renewal assumptions and the corresponding valuation of right-of-use assets, as well as their potential residual values, in particular the value of leasehold rights in the French environment (Note 6.3);
- impairment of inventories (Note 6.6);
- IFRS 15 provisions for returns (Note 5.1).

Management reviews these estimates if there are changes in the circumstances on which they were based, if new information comes to light, or based on experience. As a result, the estimates used at December 31, 2024 could be subject to significant changes in the future.

The assumptions on which the main estimates and judgements are based are detailed in the notes to these financial statements.

2.5 CONSIDERATION OF CLIMATE RISKS

At present, the SMCP group's exposure to the consequences of climate change remains limited, and its impact on the financial statements is considered insignificant.

The Group has been measuring greenhouse gas emissions related to its activity for several years, and is committed to a strategy to reduce its carbon footprint. In this respect, the Group has committed to reducing its direct emissions by 42.5% (mainly on-site energy consumption) in absolute terms between 2021 and 2030, and its indirect emissions related to production and product transportation by 25%. These targets were validated in December 2024 by the Science-Based Targets (SBTi) initiative, a leading international organisation which independently assesses whether companies' carbon trajectories are in line with the targets set by the Paris Climate Agreement.

The strategy will be implemented based on an action plan, which covers:

- using materials with a lower environmental impact (recycled, organic etc.);
- improving supplier energy performance;
- reducing the use of air transport;
- inventory management based on demand planning;
- using renewable energy in stores and reducing store energy consumption.

With regard to the impact on business plans, based on which impairment tests of intangible assets with an indefinite useful life are carried out, the execution of this strategy is reflected:

- by certain investments (CapEx, including for store renovation investments);
- by expenses recorded in the income statement (operating expenses, including freight or raw material costs);
- as well as by taking into account certain assumptions for the construction of business plans (for example, the ratio between the cost of goods of the products paid by SMCP and the selling price to the end customer).

These elements are taken into account in the financial construction of the business plans, particularly in the short term, based on knowledge of current assumptions and the most likely changes in the short term.

In the longer term, the effects of climate change cannot be quantified at this stage.

2.6 CONSOLIDATION PRINCIPLES

The Group applies IFRS 10 "Consolidated Financial Statements" and IFRS 12 "Disclosure of Interests in Other Entities".

IFRS 10, which deals with the recognition of consolidated financial statements, presents a single consolidation model that identifies control as the criterion to be met in order to consolidate an entity. An investor controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are all entities controlled by the Group.

Subsidiaries are consolidated as from the date on which they are controlled by the Group, and are deconsolidated as from the date on which they cease to be controlled by the Group.

Intragroup balances and transactions are eliminated.

Consolidated entities have a December 31 accounting year-end and use the accounting rules and policies defined by the Group.

All the subsidiaries owned by the Group are included in the scope of consolidation (Note 8.4).

2.7 TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS

2.7.1 Transactions and balances

Foreign currency financial statements of entities consolidated by the Group are translated into euros at the exchange rate applicable as of December 31, 2024. The exchange rate is calculated against the euro, which is the presentation currency of the Group's financial statements.

The financial statements of entities that are prepared in a different functional currency are translated into euros:

- at the period-end exchange rates for assets and liabilities;
- at the exchange rate in force at the transaction date for income and expense items, or at the average exchange rates for the period if that rate approximates the exchange rates in force at the date of the transaction.

Any resulting translation differences thereby stem from the difference between the translation rate used at the end of the previous year or during the year, and the rate used at the end of the following year. They are recognised in consolidated equity in "Other comprehensive income/(loss)".

The expenses, income and flows of each of the two financial years were converted at the average rate.

Assets and liabilities were converted at the closing rate in force on December 31, 2024.

2.7.2 Foreign exchange rates applicable at December 31

The rates used to translate foreign currency transactions into euros are indicated below:

		12/31/2023		12/31/2024	
		Closing	Average	Closing	Average
			12 months		12 months
EURO	EUR/EUR	1.0000	1.0000	1.0000	1.0000
SWISS FRANC	EUR/CHF	0.9260	0.9718	0.9412	0.9526
POUND STERLING	EUR/GBP	0.8691	0.8698	0.8292	0.8466
DANISH KRONE	EUR/DKK	7.4529	7.4509	7.4578	7.4589
NORWEGIAN KRONE	EUR/NOK	11.2405	11.4248	11.7950	11.6290
SWEDISH KRONA	EUR/SEK	11.0960	11.4788	11.4590	11.4325
US DOLLAR	EUR/USD	1.1050	1.0813	1.0389	1.0824
CANADIAN DOLLAR	EUR/CAD	1.4642	1.4595	1.4948	1.4821
CHINESE YUAN	EUR/CNY	7.8725	7.6700	7.5833	7.7875
HONG KONG DOLLAR	EUR/HKD	8.6314	8.4650	8.0686	8.4454
SINGAPORE DOLLAR	EUR/SGD	1.4591	1.4523	1.4164	1.4458
MACAU PATAKA	EUR/MOP	8.8795	8.7201	8.2845	8.6888
TAIWAN DOLLAR	EUR/TWD	33.8417	33.7012	34.1374	34.7436
JAPANESE YEN	EUR/JPY	156.3300	151.9900	163.0600	163.8519
MALAYSIAN RINGGIT	EUR/MYR	5.0775	4.9320	4.6454	4.9503
AUSTRALIAN DOLLAR	EUR/AUD	1.6263	1.6288	1.6772	1.6397
NEW ZEALAND DOLLAR	EUR/NZD	1.7504	1.7622	1.8532	1.7880

Note 3

Changes in scope

The Group did not recognise any change in the scope of consolidation during the financial year ended 31 December 2024.

On January 23, 2023, the Group acquired 100% of its partner IFB, located in Australia and New Zealand. This business was previously operated by its founder. The consideration paid in cash amounted to €6.9 million.

In accordance with IFRS 3, "Business combinations", the identifiable assets acquired, and liabilities assumed of these two companies were recognised at fair value at the acquisition date.

The purchase price allocation of the consideration transferred for these two companies is as follows:

	01/01/2023
(In millions of euros)	Net
Fixed assets	9.1
Current assets	4.7
Debts and liabilities	(12.3)
TOTAL NET ASSETS TRANSFERRED AT JANUARY 1, 2023 (B)	1.5
Counterpart transferred (A)	6.9
FINAL GOODWILL AUSTRALIA & NEW ZEALAND JANUARY 2023 = (A) - (B) *	5.4
Counterpart transferred	6.9
Net cash acquired	0.8
Acquisition net of acquired cash	6.1

* A residual goodwill of €5.4 million has been recognised, representing in particular the area's capacity for business development in physical stores, in digital and for all four SMCP brands. This goodwill was allocated to Sandro (€2.7 million), Maje (€2.3 million) and Claudie Pierlot (€0.2 million).

Note 4

Segment information

According to IFRS 8 “Segment information”, an operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses relating to transactions with other components of the same entity, and

- whose operating results are reviewed regularly by the entity’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;
- for which separate financial information is available.

Each brand has its own identity along with dedicated creative teams and plays a primary role in the Group’s strategy. They are managed by separate management teams based on financial information specific to each brand. There is no inter-segment operating revenue.

The main operational decision-maker is the Executive Committee of SMCP SA which conducts a monthly review of the activities and performance of each of the four brands.

The Claudie Pierlot and Fursac brands are grouped together in the same sector for the following reasons:

- their geographic coverage is very similar, with most of their business conducted in France and Europe (>95% of revenue in 2024);
- their logistics resources have been pooled;
- their long-term gross margin and EBITDA margin are similar;
- their respective weight in terms of activity is not significant at the SMCP group level (2024: Claudie Pierlot and Fursac jointly accounted for 12.2% of consolidated revenue).

4.1 GROUP OPERATING SEGMENTS

SMCP’s operations are managed through four operating and reportable segments as defined by IFRS 8. These correspond to the four brands that each have their specific customer base:

- Sandro;
- Maje;
- Other brands: Claudie Pierlot & Fursac.

4.2 FINANCIAL INFORMATION BY OPERATING SEGMENT

The tables below set out financial information by operating segment at December 31, 2024 and December 31, 2023. The concepts of Adjusted EBITDA, Adjusted EBITDA excluding IFRS 16 and Adjusted EBIT are defined on the following page.

(In millions of euros)	Sandro	Maje	Other Brands	Others & Holdings	12/31/2024
Revenue	605.2	458.3	148.2	-	1,211.7
Adjusted EBITDA	126.0	94.3	(3.8)	-	216.5
Adjusted EBITDA excluding IFRS 16	63.7	44.4	(19.1)	-	89.0
Depreciation, amortisation and impairment	(82.1)	(63.7)	(17.7)	-	(163.5)
Adjusted EBIT	43.9	30.6	(21.5)	-	53.0
Goodwill	338.7	239.7	25.9	-	604.3
Rights of use	231.0	147.0	52.1	33.9	464.0
Intangible assets	322.0	228.1	118.1	6.9	675.1
Property, plant and equipment	35.7	27.0	10.6	6.4	79.7
Capital expenditure ^[1]	17.5	18.1	5.0	4.7	45.3

[1] At December 31, 2024, investments break down as follows: (see Note 6.1.1.4 “Consolidated statement of cash flows”) and excluding rights of use:

- purchases of property, plant and equipment: €35.4 million;
- purchases of intangible assets: €9.1 million;
- purchases of financial instruments: €1.6 million;
- change in trade payables for non-current assets: €(0.8) million.

(In millions of euros)	Sandro	Maje	Other Brands	Others & Holdings	12/31/2023
Revenue	601.4	462.5	166.6	-	1,230.5
Adjusted EBITDA	130.0	100.6	5.8	-	236.4
Adjusted EBITDA excluding IFRS 16	65.6	52.9	(10.3)	-	108.2
Depreciation, amortisation and impairment	(79.2)	(57.8)	(19.9)	-	(156.9)
Adjusted EBIT	50.8	42.8	(14.1)	-	79.5
Goodwill	338.7	239.7	48.3	-	626.7
Rights of use	199.8	142.4	66.6	36.6	445.4
Intangible assets	322.1	228.5	118.7	5.7	675.0
Property, plant and equipment	33.1	25.2	13.0	11.8	83.1
Capital expenditure ⁽¹⁾	22.1	17.2	6.1	12.3	57.7

(1) At December 31, 2023, capital expenditure breaks down as follows: (see Note 6.1.1.4 "Consolidated statement of cash flows") and excluding rights of use:

- purchases of property, plant and equipment: €43.9 million;
- purchases of intangible assets: €8.9 million;
- purchases of financial instruments: €3.5 million;
- change in trade payables for non-current assets: €1.4 million.

Operating expenses of holding companies are rebilled to the brands *pro rata* to revenue, plus a mark-up.

4.3 KEY PERFORMANCE INDICATORS

SMCP SA's Board of Directors assesses the performance of the three segment groups in order to take its operating decisions, mainly by reference to the following key indicators: number of points of sale, like-for-like growth, adjusted EBITDA and adjusted EBITDA margin, adjusted EBIT and adjusted EBIT margin.

EBITDA is an indicator not defined by IFRS and is defined by the Group as current operating income less depreciation, amortisation and impairment. Adjusted EBITDA is defined by the Group as EBITDA

before expenses related to free share awards. Adjusted EBITDA excluding IFRS 16 corresponds to Adjusted EBITDA restated for fixed lease payments.

Adjusted EBIT is an indicator not defined by IFRS and is defined by the Group as current operating income less expenses related to free share plans.

The organic change in revenue, at constant exchange rates and scope, amounted to -1.5% in 2024 compared to 2023.

(In millions of euros)	12/31/2023	12/31/2024
Current operating income	76.5	51.2
Free share plans	3.0	1.8
Adjusted EBIT	79.5	53.0
Depreciation, amortisation and impairment	156.9	163.5
Adjusted EBITDA	236.4	216.5
IFRS 16 impact	(128.2)	(127.5)
ADJUSTED EBITDA EXCLUDING IFRS 16	108.2	89.0

4.4 BY GEOGRAPHICAL SEGMENT

The EMEA region in which the Group operates includes European countries except France (mainly the United Kingdom, Spain, Germany, Switzerland, Italy and the Netherlands), along with the Middle East (especially the United Arab Emirates).

America covers the Group's activities in the US, Canada and Mexico.

The APAC region includes the Group's business activities in Asia-Pacific (notably Mainland China, Hong Kong SAR, South Korea, Singapore, Thailand, Malaysia and Australia).

Revenue earned on wholesale and online sales are allocated on the basis of the customer's country of residence.

The table below sets out revenue and assets by geographic region of delivery:

<i>(In millions of euros)</i>	France	EMEA	America	APAC	12/31/2024
Revenue	417.8	403.2	182.8	207.9	1,211.7
Non-current assets	1,555.3	129.5	100.8	84.0	1,896.6

<i>(In millions of euros)</i>	France	EMEA	America	APAC	12/31/2023
Revenue	413.1	388.8	173.4	255.2	1,230.5
Non-current assets	1,573.3	133.7	74.1	99.6	1,880.7

4.5 INFORMATION BY MAJOR CUSTOMERS

Given the Group's business model, with a very small proportion of sales made to third-party distributors, SMCP is not exposed to a significant concentration of its customers. As a result, the Group did not have any customers that individually accounted for over 10% of its sales in the period ended December 31, 2024.

Note 5

Information on the income statement

5.1 REVENUE

Sales of goods

Revenue consists of total sales (retail, department store sales and sales to local partners) net of rebates, discounts, VAT and other sales taxes, but before the deduction of concession fees paid to department stores and commissions paid to affiliates.

Presentation of Group business activities

The various distribution channels used by the Group are described below:

- The retail business – includes the network of directly-owned stores, including outlets used to market and sell collections from past seasons. Revenue is recognised for the amount of the direct sale to the end customer. This is also the case for concessions or corners in department stores directly operated by the Group, even when the department stores act as

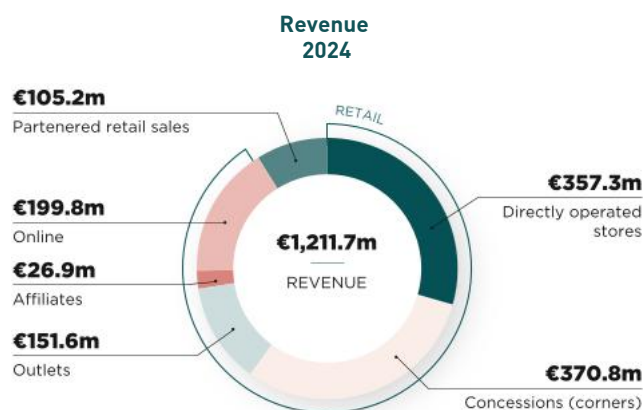
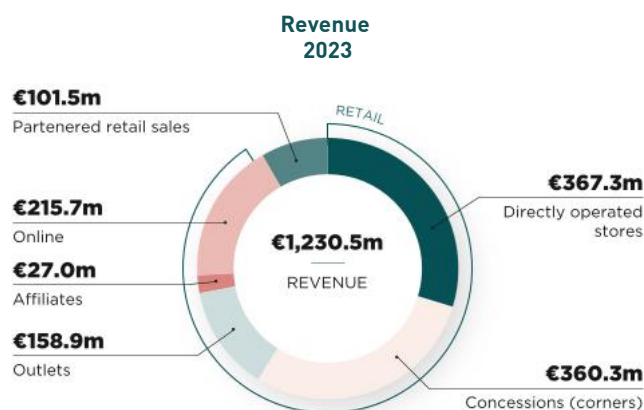
intermediaries, collect the sales amount on the Group's behalf and pay this amount to the Group;

- the Group also sells its goods through affiliates (primarily in France): Revenue is recognised for the amount of the sale to the end customer;
- local partners, or wholesale/partnered retail (in countries where the Group does not directly operate its points of sale), are used wherever necessary to ensure a solid local presence or to meet applicable regulations. Revenue is recognised at the departure from the warehouse;
- online sales include sales made by the Group on its own websites as well as *via* third party websites, particularly those operated by department stores. They are recognised on delivery.

(In millions of euros)

	12/31/2023	12/31/2024
Sales of goods	1,230.5	1,211.7
REVENUE	1,230.5	1,211.7

Group sales can be analysed as follows by distribution channel:



5.2 COST OF SALES

Cost of sales

Cost of sales includes:

- the use of raw materials and products increased by subcontracting costs and ancillary expenses (customs, etc.);
- commissions paid to affiliates, to department stores, as well as to third-party websites.

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Raw materials consumed	(74.7)	(66.5)
Finished products consumed	(160.5)	(172.6)
Subcontracting and purchase-related costs	(86.7)	(71.0)
Commissions	(131.9)	(136.9)
Net foreign exchange gain/(loss) on operating items	(1.4)	(1.3)
COST OF SALES	(455.3)	(448.4)

5.3 OTHER OPERATING INCOME AND EXPENSES

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Other operating income	18.3	22.6
Lease payments ^[1]	(23.2)	(24.1)
Other external expenses ^[2]	(151.6)	(151.0)
Fees	(33.2)	(35.9)
Services provided	(36.0)	(38.2)
Purchases of small equipment and supplies not held in inventory	(16.9)	(14.0)
Other taxes	(16.5)	(17.1)
OTHER OPERATING INCOME AND EXPENSES	(259.1)	(257.7)

[1] The amount of lease payments corresponds to the variable part of lease payments and rental expenses, short-term lease contracts or low-value assets.

[2] "Other external expenses" relate mainly to sales shipment and marketing costs.

5.4 PERSONNEL COSTS

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Wages and salaries	(214.6)	(220.6)
Social security expenses	(53.3)	(56.4)
Other personnel costs	(5.7)	(5.8)
Employee profit-sharing	(6.1)	(6.4)
PERSONNEL COSTS	(279.7)	(289.2)

5.5 SHARE-BASED PAYMENTS

Share-based payments

The Group has granted options which will be paid in equity instruments. Pursuant to IFRS 2, the advantage granted to employees under free share plan, valued at the date on which the option is granted, is recognised as additional compensation. Free share plans paid in equity instruments are valued on the allocation

date based on the fair value of equity instruments granted. They are recognised in profit or loss for plans after the initial public offering which took place on October 20, 2017, on a straight-line basis over the vesting period, taking into account the Group's estimate of the number of instruments that will be vested at the end of the vesting period. The Monte-Carlo model is also used to take into account certain market conditions.

The expense recognised during the financial year for the free share awards totalled €1.7 million (of which €0.2 million in social security expenses).

Free share plans

Free share plan (LTIP)	Plan no. 4		Plan no. 5		Plan no. 6		Plan no. 7		Plan no. 8
	January 2021	July 2021	January 2022	July 2022	January 2023	July 2023	January 2024	July 2024	January 2025
Initial allocation date	01/01/2021	07/01/2021	01/01/2022	07/01/2022	01/01/2023	07/01/2023	01/01/2024	07/01/2024	1/1/2025
Vesting period	2 and 3 years in two transactions	2 and 3 years in two transactions	2 and 3 years in two transactions	2 and 3 years in two transactions	3 years	3 years	3 years	3 years	3 years
Availability date	03/31/2024	09/30/2024	03/31/2025	09/30/2025	03/31/2026	7/1/2026	3/31/2027	7/1/2027	3/31/2028
Vesting date	3/31/2023 3/31/2024	9/30/2023 9/30/2024	3/31/2024 3/31/2025	9/30/2024 9/30/2025	01/01/2026	7/1/2026	3/31/2027	7/1/2027	3/31/2028
Number of original beneficiaries	97	8	102	10	111	7	114	17	108
Number initially granted	1,437,494	61,289	987,600	28,780	1,139,380	22,510	1,475,600	49,300	1,475,900
Number outstanding as of 12/31/2023	310,890	13,186	483,484	10,833	847,734	17,258			
Number cancelled over the financial year	(5,319)	(3,063)	(25,557)	(1,856)	(327,073)	(5,253)	(447,922)	(13,420)	
Number exercised over the financial year ⁽¹⁾	(305,571)	(10,123)	(168,831)	(3,677)					
Number of shares transferred during the financial year ⁽²⁾							1,475,600	49,300	
Number surrendered over the financial year									
Number outstanding as of 12/31/2024			289,096	5,300	520,661	12,005	1,027,678	35,880	
Number that may be exercised over the financial year									
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Expense for the financial year (in €M)	-	-0.0	-0.2	-0.0	0.6	0.0	1.1	0.0	-

(1) The number exercised over the financial year corresponds to the number of shares delivered to directors, managers and certain employees of the Group.

(2) The number of shares delivered corresponds to the number of shares awarded.

For plan no. 5, the performance conditions are based on an external condition (comparison of the performance of the SMCP share price with that of the CAC Mid and Small index between the initial allocation date and the two- and three-year anniversary of the allocation date) for 20% and an internal condition (achievement of an average of two or three years of EBIT) for 70%, and a CSR condition for 10% (achievement of an average of two or three years of CSR targets).

For plans no. 6, 7 and 8, the performance conditions are based on an external condition (comparison of the performance of the SMCP share price with that of the CAC Mid and Small index between the initial allocation date and the three-year anniversary of the allocation date) for 30% and two internal conditions (achievement of an average of three years of EBIT for 30% and an average of three years of revenue for 20%) and CSR conditions for 20% (achievement of an average of three years of CSR targets).

Plans no. 5, 6, 7 and 8 also have an employment condition on the date of definitive vesting, lasting two and three years for plan no. 5, and three years for plans no. 6, 7 and 8.

- SMCP SA held 700,301 shares at December 31, 2023, enabling it to deliver 474,402 shares in April 2024, 3,677 shares in July 2024 and 10,123 shares in September 2024. At December 31, 2024, SMCP SA held 213,099 SMCP shares.

5.6 OTHER INCOME AND EXPENSES

Other non-recurring income and expenses comprise income statement items which, due to their nature, amount or frequency, may not be considered as inherent to the Group's recurring operations. This heading includes:

- (i) costs incurred on the acquisition of new entities;
- (ii) net reversals for impairment of brands, leasehold rights, rights of use and goodwill.

The Group presents the other income and expenses separately to facilitate understanding of its recurring operating performance and to give financial statement users relevant information for assessing the Group's future earnings.

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Other income	0.7	0.2
Other expenses	(26.6)	(35.4)
OTHER INCOME AND EXPENSES	(25.9)	(35.2)

Other income and expenses break down as follows:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Impairment of goodwill ^[1]	(5.0)	(22.4)
Impairment of right-of-use and other non-current assets ^[2]	(19.0)	(12.4)
Transitions and acquisition costs	-	(0.6)
Other	(2.0)	0.2
OTHER INCOME AND EXPENSES	(25.9)	(35.2)

[1] At December 31, 2024, the Group has performed impairment tests on its non-current assets with an indefinite useful life, resulting in the recognition of an impairment of €22.4 million and relating to the Claudie Pierlot brand (see Note 6.1.1). The impairment recorded in 2023 concerned the Fursac brand for €5 million.

[2] At December 31, 2024, the Group also carried out impairment tests on its right-of-use assets, including its leasehold rights, resulting in impairments of €4.1 million and €8.3 million respectively (see Notes 6.3.1 & 6.4.1).

5.7 FINANCIAL INCOME AND EXPENSES

Financial income and expenses include interest expenses (income) accrued on debts (receivables) measured using the effective interest method (mainly for medium- and long-term financial liabilities as well as current account bank overdrafts). They also include foreign exchange gains and losses on internal financing transactions and on derivative financial instruments and dividends

earned. Interest income and expenses also include interest expenses included within long-term employee benefits (IAS 19 "Employee Benefits"), as well as the discounting adjustment for non-current provisions (IAS 37 "Provisions, Contingent Liabilities and Contingent Assets").

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Interest expenses on borrowings	(27.1)	(30.6)
– Revolving Credit Facility & NEU CP	(2.8)	(4.7)
– Term Loan A	(6.4)	(5.9)
– PGE	(5.6)	(5.6)
– IFRS 16	(11.3)	(12.2)
– Other	(0.9)	(1.8)
Net exchange gain/(loss) on financial items	(0.3)	(0.1)
Other financial expenses (including agios on bank overdrafts)	(0.5)	(2.0)
FINANCIAL INCOME (EXPENSE)	(27.9)	(32.4)

The €18.4 million in interest expenses (excluding IFRS 16) mainly consisted of paid interest €18.9 million (see Statement of cash flows in paragraph 6.1.1.4) and accrued interest of €0.5 million.

Loans contracted under the Credit Facility will bear interest at an EURIBOR-indexed floating rate for the drawn period, increased by the applicable margin.

The margin is scaled according to the leverage ratio (total net debt/ Group consolidated EBITDA). The applicable margin as of the closing of the financial year was 2.6% per annum for the Term Loan A and 2.2% per annum for the Revolving Credit Facility.

Thus, the average interest rate for the drawn debt, excluding lease liabilities, was 5.1% for the 2024 financial year.

5.8 INCOME TAX EXPENSE

Income tax expense for the financial year includes current and deferred taxes. These are recognised in the income statement, except if they relate to a business combination or to items recognised directly in equity or other comprehensive income.

Current taxes on taxable profit for the period represent the tax expense calculated based on the tax rates enacted as of December 31, 2024, and any adjustments to the tax payables calculated in respect of previous periods.

Deferred tax

Deferred tax assets and liabilities adjust current tax expense for the impact of temporary differences between the carrying amount of assets and liabilities of consolidated entities and their tax base.

However, a deferred tax asset is not recognised if it arises from the initial recognition of an asset or liability other than in a business combination which, at the time of the transaction, does not affect accounting or taxable profit.

Deferred taxes are determined based on tax rates (and tax laws) that were enacted as of December 31, 2024 and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised when it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Deferred taxes are recorded in respect of taxable temporary differences related to investments in subsidiaries and affiliates unless the Group is able to control the timing of the reversal of the difference and it is probable that the reversal will not occur in the foreseeable future.

5.8.1 Income tax

Income tax includes the current tax expense for the financial year and deferred taxes arising on temporary differences:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Deferred tax	[0.9]	0.2
Current tax	[10.5]	[7.0]
INCOME TAX EXPENSE	[11.4]	[7.2]

5.8.2 Deferred tax position

a) Deferred taxes at December 31, 2024

<i>(In millions of euros)</i>	12/31/2023	Change in the income statement	Change in other comprehensive income items	Translation adjustment	12/31/2024	Deferred tax assets	Deferred tax liabilities
Restatement of pension liabilities	0.9	0.1	[0.2]	-	0.8	0.8	-
Elimination of internal gains and losses (margin on inventories)	13.6	[3.0]	-	0.3	10.9	10.9	-
Capitalisation of tax losses carried forward	4.8	0.2	-	0.1	5.1	5.1	-
Fair value of brands and leasehold rights	[179.8]	0.8	-	-	[178.9]	-	[178.9]
Restatement of leases	9.1	0.7	-	0.2	10.0	10.0	-
SaaS	0.7	[0.1]	-	-	0.6	0.6	-
Other restatements*	15.7	1.2	0.1	0.3	17.4	2.2	15.0
NET DEFERRED TAX ASSETS/(LIABILITIES)	[134.9]	[0.2]	[0.1]	0.9	[134.3]	29.6	[163.9]

* Mainly relates to temporary differences between local accounting standards and taxation.

<i>(In millions of euros)</i>	12/31/2022	Change in the income statement	Change in other comprehensive income items	Translation adjustment	Changes in scope	12/31/2023	Deferred tax assets	Deferred tax liabilities
Restatement of pension liabilities	0.8	-	0.1	-	-	0.9	0.9	-
Elimination of internal gains and losses (margin on inventories)	18.4	[4.2]	-	[0.6]	-	13.6	13.6	-
Capitalisation of tax losses carried forward	2.7	2.2	-	[0.1]	-	4.8	4.8	-
Fair value of brands and leasehold rights	[181.7]	1.8	-	0.1	-	[179.8]	-	[179.8]
Restatement of leases	10.3	[1.2]	-	-	-	9.1	9.1	-
SaaS	1.1	[0.3]	-	-	-	0.7	0.7	-
Other restatements*	14.9	0.8	0.4	[0.4]	-	15.7	2.8	12.9
NET DEFERRED TAX ASSETS/(LIABILITIES)	[133.5]	[0.9]	0.5	[1.0]	-	[134.9]	32.0	[166.9]

* Mainly relates to temporary differences between local accounting standards and taxation.

b) Analysis of the tax expense

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Statutory tax rate in France ⁽¹⁾	25.83%	25.83%
Impact of difference in income tax rates applied to earnings in countries other than that of the consolidating entity	4.1%	(4.2%)
Impairment of goodwill	5.7%	(35.6%)
Effect of LTI plans settled in shares	7.3%	(0.2%)
Other permanent differences	3.4%	(6.3%)
Impact of tax credits and reduced-rate taxes	(2.8%)	(1.4%)
Deferred tax assets for previous financial years recognised during the financial year	1.8%	2.3%
Other changes in deferred tax	0.6%	(1.7%)
Effective corporate income tax rate	46.0%	(37.9%)
Other value-added tax ⁽²⁾	4.5%	(7.6%)
EFFECTIVE RATE OF INCOME TAX	50.5%	(45.4%)

(1) The statutory tax rate in France takes into account the solidarity contribution (3.3%).

(2) Taxes based on value added (i.e. the CVAE tax on value added levied on French companies, IRAP in Italy and Trade Tax in Germany, etc.) are treated as "Income" in accordance with IAS 12.

c) Activation of tax loss carry forwards

The Group capitalises the tax losses of its subsidiaries when the conditions required by IAS 12 "Income tax expense" are met. The tax rate applied is the tax rate in effect as of December 31, 2024. Deferred tax assets are recognised in the balance sheet on the basis of the outlook and business plans prepared for each subsidiary.

As of December 31, 2024, the Group's tax loss carry forwards represent a deferred tax asset of €4.9 million, mainly in France and Asia. Their recovery horizons range from one to five years.

d) Unrecognised deferred tax assets

As of December 31, 2024, there are no unrecognised deferred tax assets.

5.9 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share data for its ordinary shares.

Earnings **per share** is calculated by dividing net profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during

the period. Diluted **earnings per share** is calculated by adjusting net profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise stock options and free shares granted to employees.

Earnings per share is calculated as follows:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Net profit for the period - Group share	11.2	(23.6)
Basic weighted number of shares	75,059,385	75,250,537
Dilution effect of class G preferred shares	2,735,711	2,735,711
Dilution effect of free share plans	652,365	122,784
Average number of shares taken into account for the calculation after dilutive effects	78,447,461	78,109,032
Basic earnings per share (in €)	0.15	(0,31)
Diluted earnings/(loss) per share (in €)	0.14	(0,31)

Note 6 Notes to the Statement of financial position

6.1 GOODWILL AND INTANGIBLE ASSETS

6.1.1 Goodwill

Upon initial recognition of an acquired company, goodwill represents the excess of (i) the fair value of the consideration transferred plus the amount of all non-controlling interests in the acquired company and (ii) the identifiable assets acquired and liabilities assumed measured at fair value at the acquisition date. If this difference is negative, the amount is recognised immediately in the income statement.

At December 31, 2024, the impairment tests carried out by the Group led to the recognition of an additional impairment of goodwill on the combination of Claudie Pierlot CGUs. As a reminder, the tests carried out at the end of the 2023 financial year had led to the recognition of impairment of goodwill on the combination of Fursac CGUs (see Note 6.4.2).

The acquisition of the partner in 2023 located in Australia and New Zealand had led to the recognition of goodwill of €5.4 million. The net value of goodwill totalled €604.3 million at December 31, 2024 and is related to the Sandro, Maje, Claudie Pierlot and Fursac brands.

The table below illustrates changes over the period presented:

<i>(In millions of euros)</i>	01/01/2024	Changes in scope	Impairment	Translation adjustment	12/31/2024
Goodwill – gross value	688.6	-	-	-	688.6
Impairments	[61.9]	-	[22.4]	-	[84.3]
GOODWILL - NET VALUE	626.7	-	[22.4]	-	604.3

<i>(In millions of euros)</i>	01/01/2023	Changes in scope	Impairment	Translation adjustment	12/31/2023
Goodwill – gross value	683.2	5.4	-	-	688.6
Impairments	[56.9]	-	[5.0]	-	[61.9]
GOODWILL - NET VALUE	626.3	5.4	[5.0]	-	626.7

6.1.2 Other intangible assets

Trademarks

The Sandro, Maje, Claudie Pierlot and Fursac brands are classified as intangible assets with indefinite useful lives and are not therefore amortised, since:

- the brands are proprietary, properly registered and protected pursuant to applicable law, and there is an option to renew the legal protection at a reasonable cost at the end of the registration period, which can be easily exercised without external impediments;
- the goods sold by the Group under these brands are not susceptible to technological obsolescence, which is characteristic of the accessible luxury market segment in which the Group operates; on the contrary, they are consistently perceived by the market as being innovative in the national and/or international arena in which each brand evolves and has a distinctive market positioning and reputation that ensures they are dominant in their respective market segments due to the fact that they are constantly associated and compared with major leading brands;
- in the relative competitive context, investments made to maintain these brands can be said to be modest with respect to the significant cash flows they are expected to generate;
- brands are measured at cost less impairment in accordance with IAS 38 "Intangible Assets". They are tested within the groups of CGUs described above as part of goodwill impairment tests. Each operating segment includes the stores operating under each brand.

Software

The costs of acquiring software licenses are capitalised based on acquisition and installation costs. These costs are amortised over the estimated useful lives of the software, which range from three to seven years.

Costs associated with maintaining computer software in operating condition are expensed for the financial year in which they are incurred. Costs that are directly linked to the development of software and which meet all of the criteria set out in IAS 38 are recognised as intangible assets.

Following the IFRS IC decision published in April 2021, SaaS software costs are recognised in the income statement.

Intangible assets are amortised on a straight-line basis over their estimated useful lives.

The useful lives are as follows:

Type of asset	Period (in years)
Trademarks	Indefinite
Licences, software	3-7

The table below illustrates changes in this item over the period presented:

<i>(In millions of euros)</i>	01/01/2024	Acquisitions	Disposals	Amortisation	Foreign exchange differences	Other	12/31/2024
Trademarks	663.0	-	-	-	-	-	663.0
Intangible assets in progress	2.8	1.3	-	-	0.1	(1.8)	2.4
Other intangible assets	56.6	6.7	(0.3)	-	0.6	1.0	64.7
Intangible assets	722.4	8.2	(0.3)	-	0.7	(0.8)	730.0
Amortisation/impairment of other intangible assets	(47.4)	-	0.3	(7.2)	(0.4)	-	(54.8)
Amortisation/impairment of intangible assets	(47.4)	-	0.3	(7.2)	(0.4)	-	(54.8)
NET VALUE OF INTANGIBLE ASSETS	675.0	8.0	-	(7.2)	0.2	(0.8)	675.1

<i>(In millions of euros)</i>	01/01/2023	Acquisitions	Disposals	Amortisation	Foreign exchange differences	Other	12/31/2023
Trademarks	663.0	-	-	-	-	-	663.0
Intangible assets in progress	2.6	1.9	-	-	-	(1.7)	2.8
Other intangible assets	49.6	5.8	-	-	(0.5)	1.7	56.6
Intangible assets	715.2	7.7	-	-	(0.5)	-	722.4
Amortisation/impairment of other intangible assets	(40.8)	-	-	(6.9)	0.4	(0.1)	(47.4)
Amortisation/impairment of intangible assets	(40.8)	-	-	(6.9)	0.4	(0.1)	(47.4)
NET VALUE OF INTANGIBLE ASSETS	674.4	7.7	-	(6.9)	(0.1)	(0.1)	675.0

At December 31, 2024, the Group's four trademarks, Sandro, Maje, Claudie Pierlot and Fursac, were entered in the balance sheet for a total of €663 million, with respectively €320 million for Sandro, €226 million for Maje, €54 million for Claudie Pierlot and €63 million for the Fursac brand.

In 2024, the acquisition of intangible assets of €8.0 million represented a cash outflow of €9.1 million (see Cash flow statement in paragraph 6.1.1.4 "Acquisition of property, plant and equipment and intangible assets" for €43.7 million).

6.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially recognised at acquisition cost less cumulative depreciation and any cumulative impairment losses. The depreciable amount of property, plant and equipment comprises the acquisition cost of components less residual value, which is the estimated disposal price of the assets at the end of their useful lives.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Group has estimated the useful lives of property, plant and equipment at two to ten years, depending on the type of asset. Costs for maintenance and repairs are expensed as incurred.

The main useful lives applied are as follows:

Type of asset	Period (in years)
Plant, equipment and tools	2-5
Miscellaneous fixtures and fittings for points of sale	2-5
Miscellaneous fixtures and fittings for warehouses and head offices	4-10
Office equipment, furniture	2-5

The table below illustrates changes in this item over the period presented:

(In millions of euros)	01/01/2024	Changes in scope	Acquisitions	Disposals	Amortisation	Impairments	Foreign exchange differences	Other	12/31/2024
Technical fittings, equipment and industrial tools	3.9	-	-	(0.6)	-	-	-	-	3.3
Property, plant and equipment in progress	6.5	-	3.3	-	-	-	0.1	(4.6)	5.3
Advances and down payments on property, plant and equipment	1.0	-	3.3	-	-	-	-	(3.7)	0.5
Other property, plant and equipment	285.5	-	28.7	(22.2)	-	-	6.9	10.2	309.2
Property, plant and equipment	296.9	-	35.3	(22.8)	-	-	7.0	1.9	318.3
Amortisation/impairment of technical fittings, equipment and industrial tools	(3.5)	-	-	0.6	(0.2)	-	-	-	(3.1)
Amortisation/impairment of other property, plant and equipment	(210.3)	-	-	22.0	(42.2)	-	(5.4)	0.2	(235.6)
Amortisation/impairment of property, plant and equipment	(213.8)	-	-	22.7	(42.4)	-	(5.4)	0.2	(238.7)
NET VALUE OF PROPERTY, PLANT AND EQUIPMENT	83.1	-	35.3	(0.2)	(42.4)	-	1.6	2.1	79.7

(In millions of euros)	01/01/2023	Changes in scope	Acquisitions	Disposals	Amortisation	Impairments	Foreign exchange differences	Other	12/31/2023
Technical fittings, equipment and industrial tools	3.8	-	0.1	-	-	-	-	-	3.9
Property, plant and equipment in progress	7.0	-	3.6	-	-	-	(0.1)	(4.0)	6.5
Advances and down payments on property, plant and equipment corp.	0.1	-	1.8	-	-	-	-	(0.9)	1.0
Other property, plant and equipment	262.7	0.8	38.4	(14.8)	-	-	(5.2)	3.6	285.5
Property, plant and equipment	273.6	0.8	43.9	(14.8)	-	-	(5.3)	(1.3)	296.9
Amortisation/impairment of technical fittings, equipment and industrial tools	(3.3)	-	-	-	(0.2)	-	-	-	(3.5)
Amortisation/impairment of other property, plant and equipment	(187.8)	-	-	12.1	(37.7)	(1.0)	3.9	0.2	(210.3)
Amortisation/impairment of property, plant and equipment	(191.1)	-	-	12.1	(37.9)	(1.0)	3.9	0.2	(213.8)
NET VALUE OF PROPERTY, PLANT AND EQUIPMENT	82.5	0.8	43.9	(2.7)	(37.9)	(1.0)	(1.4)	(1.1)	83.1

"Other property, plant and equipment" mainly corresponds to fixtures and fittings at points of sale. In 2024, acquisitions of property, plant and equipment of €35.3 million represented a cash outflow of €34.6 million (see Cash flow statement in Section 6.1.1.4 "Acquisition of property, plant and equipment and intangible assets" for €43.7 million).

6.3 LEASE AGREEMENTS

Scope of application of IFRS 16

A lease is a contract or part of a contract whereby the right to use an underlying asset is transferred for a given period in return for consideration.

The Group applies the accounting principles defined by IFRS 16 to all of its leases, with the exception of:

- short-term leases with an initial term less than or equal to 12 months;
- leases where the underlying asset is of low value, considering the value of the asset in new condition.

These exempt leases are recognised as rental expenses on a straight-line basis over the term of the lease. When certain contracts contain an explicitly identifiable portion relating to services that do not fall within the definition of a lease, this portion is recognised in current operating expenses in accordance with its cost type.

Accounting for leases in accordance with IFRS 16

The application of IFRS 16 consists of recognising in the balance sheet at the start date of the lease:

- a lease liability, corresponding to the present value of future fixed lease payments relating to the estimated term of the lease. This liability is presented separately for its current portion and its non-current portion. Future fixed rents include any revaluation of rents corresponding to an index or a contractually established growth rate. They may also include the value of a call option or estimated early termination penalties when the Group is reasonably certain to exercise such options. In addition, fixed payments include the deduction of any lease incentives to be received at the start date of the lease;
- a right of use on leases, corresponding to the value of the lease liability minus the lease incentives received from the landlord, plus prepaid rent, initial direct costs and an estimate of restoration costs when these are subject to contractual obligations.

At each reporting date, the lease liability is remeasured as follows:

- an increase reflecting the discounting charge for the period applying the incremental borrowing rate applied to the lease, offset by an interest charge on leases in the financial income, in the income statement;
- a decrease reflecting the rent payments for the period, offset against the cash and cash equivalents account in the balance sheet;

- an increase reflecting the updating of an index or growth rate of the rent, if applicable, in exchange for the right of use on leases in the balance sheet;

- an increase or decrease reflecting a re-estimate of future fixed rent payments following a change in the estimate in the lease term, against the right of use on leases in the balance sheet.

Similarly, at each reporting date, the right of use on leases is revalued as follows:

- a decrease reflecting straight-line depreciation over the lease term, offset by a charge for depreciation of rights of use on leases within current operating income, in the income statement;
- a decrease reflecting a possible impairment of the right of use on leases, against other non-current operating income and expenses in the income statement;
- an increase reflecting the updating of an index or rent growth rate, if applicable, against the lease liability in the balance sheet;
- an increase or decrease reflecting a re-estimate of future fixed rent payments as a result of a change in the lease term estimate, offset against the lease liability in the balance sheet.

The impact on the income statement of the application of IFRS 16 is reflected as follows:

- the variable portion of rents, as well as short-term or low-value leases, are recognised in current operating income;
- the straight-line depreciation expense corresponding to the right of use on leases is recognised in current operating income;
- the interest expense corresponding to the unwinding of discounting of lease liabilities is recorded in financial income.

Finally, the impact on the cash flow statement of the application of IFRS 16 is reflected as follows:

- in the net cash flows from operating activities: payments relating to the variable portion of rents, rental expenses as well as short-term or low-value leases;
- in the net cash flow from financing activities: the repayment of lease liabilities, for the principal portion, as well as the portion of interest presented on the interest paid and similar line item.

Estimated lease term

The term of a lease is the non-cancellable period during which the tenant has the right to use the underlying asset, adjusted for:

- any period covered by an option to extend the lease that the tenant is reasonably certain to exercise; or on the contrary;
- any period covered by an option to terminate the lease that the tenant is reasonably certain to exercise.

In estimating the duration of its property leases, which is the predominant part of all of its leases, the Group has used:

- for its points of sale (free-standing stores, outlets): the term used corresponds to the initial term of the lease on the date of signature, i.e. without taking into account a possible extension option, considering that acting on location opportunities throughout the contract term is a key element in the management of its store network. During the lease term, the Group reviews its term at the end of each period, taking into account the latest operational decisions that themselves take into account termination options, or extension options if applicable, that had not been considered reasonably certain in previous reporting periods;
- for its head offices and warehouses: the term used corresponds to the initial term of the lease.

Specifically, for commercial leases signed in France (leases 3-6-9), the Group recognises a lease term of nine years, then reviews this period at each subsequent closing date to reduce it, if necessary, to three or six years depending on the profitability of the point of sale. At the end of this initial nine-year period and during the tacit extension period that applies during a renegotiation phase, the Group determines the duration of these leases taking into account the date on which the Group is reasonably certain to continue the lease beyond the contractual term.

Determination of the discount rate for lease liabilities

The discount rate is determined for each contract according to the country of the contracting subsidiary. Considering the organisation of the Group's financing, carried exclusively by SMCP Group SAS, this marginal borrowing rate is actually defined by the sum of the risk-free rates for the contract currency, by reference to its residual duration, and the Group's credit risk for this same currency and duration reference.

Leasehold rights taken into account in the calculation of right of use on leases

In France, leasehold rights represent the amount that the new tenant pays to the previous tenant in exchange for the right to lease the property and the corresponding legal guarantees. From a legal point of view, leasehold rights include the right to be the tenant of the asset and the right to assign leasehold rights. Leasehold rights are therefore intrinsically linked to the lease itself and constitute an initial direct cost for the tenant which must be taken into account in the initial valuation of the right of use of the asset.

Being transferable, leasehold rights in France constitute the residual value of the right of use (component of the estimated amount that the tenant would obtain from the disposal of the asset). The depreciable amount of the right of use as a whole is therefore determined by deducting this residual value, the latter being revised at least once per financial year.

Outside France, leasehold rights are generally not transferable and are therefore amortised over the term of the lease.

6.3.1 Rights of use

Rights of use break down as follows:

	12/31/2023		12/31/2024	
	Net	Gross	Amortisation and depreciation	Net
<i>(In millions of euros)</i>				
Stores	319.7	768.7	(437.2)	331.5
Offices and warehouses	39.0	114.5	(59.2)	55.3
Capitalised fixed rents	358.7	883.2	(496.4)	386.8
Leasehold rights	86.7	124.0	(46.8)	77.2
Right of use	445.4	1,007.2	(543.2)	464.0

The change in the net balance of rights of use during 2024 can be explained by the following elements:

<i>Gross value in millions of euros</i>	Capitalised discounted fixed lease payments			Leasehold rights	Total
	Stores	Offices and warehouses	Total		
January 1, 2024	711.5	88.2	799.7	124.2	923.9
Arrangement of new leases	134.4	27.4	161.8	1.0	162.8
Early terminations and downward revised durations	(93.0)	(1.7)	(94.7)	(2.3)	(97.0)
Other (including foreign exchange difference)	15.8	0.6	16.4	1.1	17.5
AS OF DECEMBER 31, 2024	768.7	114.5	883.2	124.0	1,007.2

<i>Amortisation, depreciation and impairment in millions of euros</i>	Capitalised discounted fixed lease payments			Leasehold rights	Total
	Stores	Offices and warehouses	Total		
January 1, 2024	(391.9)	(49.1)	(441.0)	(37.5)	(478.5)
Depreciation & amortisation	(104.9)	(11.5)	(116.4)	(1.9)	(118.3)
Impairments	(3.7)	-	(3.7)	(8.3)	(12.0)
Early terminations and downward revised durations	73.7	1.7	75.4	1.3	76.7
Other (including foreign exchange difference)	(10.4)	(0.3)	(10.7)	(0.4)	(11.1)
AS OF DECEMBER 31, 2024	(437.2)	(59.2)	(496.4)	(46.8)	(543.2)
NET VALUE AT DECEMBER 31, 2024	331.5	55.3	386.8	77.2	464.0

Lease arrangements mainly concern store rentals, and incidentally, administrative and storage buildings.

The change in the net balance of rights of use during 2023 was explained by the following elements:

<i>Gross value in millions of euros</i>	Capitalised discounted fixed lease payments			Leasehold rights	Total
	Stores	Offices and warehouses	Total		
January 1, 2023	647.9	85.8	733.7	129.4	863.1
Changes in scope	7.5	0.3	7.8	-	7.8
Arrangement of new leases	124.6	3.3	127.9	1.1	129.0
Early terminations and downward revised durations	(59.7)	(0.8)	(60.5)	(6.0)	(66.5)
Other (including foreign exchange difference)	(8.8)	(0.4)	(9.2)	(0.3)	(9.5)
AS OF DECEMBER 31, 2023	711.5	88.2	799.7	124.2	923.9

<i>Amortisation, depreciation and impairment in millions of euros</i>	Capitalised discounted fixed lease payments			Leasehold rights	Total
	Stores	Offices and warehouses	Total		
January 1, 2023	(347.5)	(38.7)	(386.2)	(22.8)	(409.0)
Depreciation & amortisation	(98.9)	(11.4)	(110.3)	(1.8)	(112.1)
Impairments	(0.6)	-	(0.6)	(18.4)	(19.0)
Early terminations and downward revised durations	50.5	0.8	51.3	5.1	56.4
Other (including foreign exchange difference)	4.6	0.2	4.8	0.4	5.2
AS OF DECEMBER 31, 2023	(391.9)	(49.1)	(441.0)	(37.5)	(478.5)
NET VALUE AT DECEMBER 31, 2023	319.6	39.1	358.7	86.7	445.4

6.3.2 Lease liabilities

Lease liabilities break down as follows:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Lease liabilities at more than 5 years	75.5	94.5
Lease liabilities between 4 and 5 years	39.8	42.4
Lease liabilities between 3 and 4 years	50.3	53.2
Lease liabilities between 2 and 3 years	65.0	68.8
Lease liabilities between 1 and 2 years	75.1	84.5
Lease liabilities at less than 1 year	106.6	100.7
TOTAL	412.3	444.1

The change in lease liabilities during the year can be explained by the following items:

<i>(In millions of euros)</i>	Stores	Offices and warehouses	Total
January 1, 2024	370.4	41.9	412.3
Arrangement of new leases	138.8	27.4	166.2
Reimbursement of the nominal	(114.1)	(11.6)	(125.7)
Changes in incurred interests	0.4	-	0.4
Early terminations and downward revised durations	(23.9)	-	(23.9)
Other (including foreign exchange difference)	14.4	0.4	14.8
AS OF DECEMBER 31, 2024	386.0	58.1	444.1

<i>(In millions of euros)</i>	Stores	Offices and warehouses	Total
January 1, 2023	353.0	49.9	402.9
Arrangement of new leases	123.5	3.3	126.8
Reimbursement of the nominal	(102.8)	(11.3)	(114.1)
Changes in incurred interests	0.2	-	0.2
Early terminations and downward revised durations	(10.2)	(0.1)	(10.3)
Other (including foreign exchange difference)	6.7	0.1	6.8
AS OF DECEMBER 31, 2023	370.4	41.9	412.3

The amount of fixed lease payments paid in the 2024 financial year is €127.5 million. It was €128.2 million in 2023 (see Statement of cash flows in paragraph 6.1.1.4 "Repayment of lease liabilities").

The residual rent expense shown in the income statement under operating income and expenses (see Note 5.3) breaks down as follows:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Variable lease payments or rents on low-value assets	(8.8)	(9.2)
Rental charges	(14.4)	(14.9)
TOTAL	(23.2)	(24.1)

In some countries, store leases include a minimal amount and a variable portion, particularly when the lease contains a clause indexing the rent to sales. In accordance with the provisions of IFRS 16, only the minimum fixed portion is capitalised.

Payments relating to non-capitalised leases (variable rents or lease payments on low-value assets) do not differ much from the expense recognised.

6.4 IMPAIRMENT TESTS

Basic principles

If indications of impairment are identified, such as events or changes in circumstances that may affect the recoverable amount of an asset, IAS 36 "Impairment of Assets" requires companies to perform an impairment test in order to verify that the net carrying amount of property, plant and equipment and intangible assets does not exceed the recoverable amount.

Goodwill, brands and other intangible fixed assets with an indefinite life or which have not yet been put into service must be tested for impairment at least annually or whenever there is an indication that they may be impaired.

The recoverable amount of assets is tested by comparing their net carrying amount with the higher of their fair value less costs to sell and value in use.

The value in use of property, plant and equipment or intangible assets is determined based on the estimated future cash flows expected to result from the use of the asset. These are calculated using a post-tax discount rate and factor in the risks relating to the performance of the asset tested.

If the cash flows generated by a given asset cannot be estimated independently from the cash flows generated by other assets, the Group must identify the cash-generating unit (CGU) to which the asset belongs and with which the future cash flows – calculated objectively and generated independently of the cash flows generated by other assets – can be associated. The identification of cash-generating units was carried out according to the Group's organisational and operational architecture.

If the impairment test reveals that an asset has lost value, its carrying amount is written down to its recoverable amount by recognising an impairment loss in the income statement.

When the reasons for impairment cease to exist, the carrying amount of the asset or cash-generating unit (except goodwill) is increased to the amount resulting from the estimate of its recoverable amount, not to exceed the net carrying amount that would have been reported had the impairment loss not been recognised. The reversal of an impairment loss is recognised in the income statement.

Allocation of assets/liabilities to cash-generating units (CGUs) and estimated values

The Group has defined several types of CGUs in order to test its property, plant and equipment, intangible assets and goodwill for impairment.

Each store is a CGU based on the specific geographic base of its customers and the property, plant and equipment and intangible assets owned by the store, and impairment tests are performed at this level.

Goodwill and brands are subject to an impairment test in a second stage, within the three CGU combinations which also include the assets related to the CGUs described above, i.e. the points of sale operated under each brand, the direct support structure of each brand, and an allocation of head office expenses.

Goodwill comes from the three original brands Sandro, Maje and Claudie Pierlot acquired in October 2016 and the Fursac brand acquired in September 2019.

Goodwill is not amortised but is subject to an impairment test whenever an indication of impairment is identified, and at least once a year. Indications that goodwill may be impaired include material adverse changes of a lasting nature affecting the economic environment or the assumptions and objectives made at the time of acquisition.

When the net carrying amount of the cash-generating unit is greater than its recoverable amount, an impairment loss is recognised first on goodwill, then if necessary on the other elements tested. Impairment losses are recognised in the income statement (under the "Other expenses" heading).

Impairment losses in respect of goodwill may not be reversed.

Judgements and estimates

The main judgements and estimates relating to impairment testing are based on the following assumptions:

- identifying the appropriate CGU level;
- assessing the economic and commercial trends and the competitive environment in order to determine the discount rate and perpetuity growth rate;
- forecasting cash flows.

6.4.1 Points of sale test

The Group defines its directly owned points of sale as CGUs, i.e. the smallest group of assets (including right-of-use assets, property, plant and equipment, intangible assets and the allocation of the brand attached to the point of sale) that can individually generate cash flows. A test of the points of sale must be carried out in the event of any indication of impairment. The impairment criteria used are a decrease in revenue and/or a decrease in profitability and/or a decrease in the marketability of the point of sale.

The recoverable amount of each of these points of sale is determined using the discounted cash flow method (DCF). These DCFs are based on the budget by point of sale and the business plan by CGU combination and CGU (retained for the duration of the contract), approved by the Executive Committee and by the Board of Directors, and are used to calculate the value in use as of December 31, 2024. The growth rates used are those used by management for the business plan and take into account the growth outlook specific to each brand and/or market (Sandro Europe, Maje Europe, Claudie Pierlot Europe, Fursac, APAC, North America). At the end of their useful life, points of sale are considered closed and non-amortised

assets, such as leasehold rights in France, are sold. To calculate the value in use, future cash flows are discounted using a weighted average cost of capital (WACC), which varies based on the brand operating at that point of sale. When this value in use is lower than the net carrying amount of the assets constituting the CGU, an impairment loss is recorded in the financial statements.

Management has identified and recognised an impairment of the leasehold rights and/or right-of-use assets in the amount of €11.9 million as at December 31, 2024.

6.4.2 Testing of CGU combinations

IAS 36 requires an impairment test to be performed annually for each CGU or CGU combinations to which the goodwill has been allocated.

As recommended by IAS 36, each CGU or CGU combination to which goodwill is thus allocated must represent, within the entity, the lowest level at which goodwill is monitored for internal management purposes and must not be larger than a segment determined under IFRS 8 "Operating Segments", before consolidation.

The level of analysis at which the SMCP Group assesses the recoverable amount of goodwill corresponds to the brand. The goodwill test level is based on both organisational and strategic criteria.

An impairment test was therefore carried out on each of the four Sandro, Maje, Claudie Pierlot and Fursac brands.

As part of the preparation of its annual strategic plan, the Group reviewed the business outlook for its various segments. This strategic plan served as the basis for the impairment test carried out on each combination of the Group's CGUs as at December 31, 2024. It compares the net carrying amount of each of the four brands (composed of the brand, the portion of the allocated goodwill, the right-of-use assets, the other fixed assets and the working capital requirement) with the higher of the fair value net of asset disposal costs and the value in use of the brands. This is determined using the free cash flow (DCF) method. These DCFs are based on the 2025 budget and the business plan by combination of CGUs determined by the Executive Committee and approved by the Board of Directors. The duration of the business plan was adjusted according to the maturity of each brand. Sandro and Maje are therefore mature brands in all geographical areas and in the various distribution channels. The duration of the business plan is five years. On the other hand, the Claudie Pierlot and Fursac brands are still in the consolidation phase, and the duration of their business plan is maintained over eight years.

The Group called upon an independent appraiser to update the discount rate and the long-term growth rate for each of its CGU combinations. This review takes into account differentiated rates by country. The rates applied to each CGU combination result from the weighting of these rates by country, according to the geographical presence of the brands. The following table presents the discount and long-term growth rates used for each CGU combination:

	2023 test discount rate	2023 test long-term growth rate	2024 test discount rate	2024 test long-term growth rate
Sandro	11.0%	2.0%	10.3%	1.9%
Maje	11.1%	2.0%	10.3%	1.9%
Claudie Pierlot	11.0%	1.9%	10.9%	1.8%
Fursac	10.9%	1.9%	10.9%	1.8%

Following the impairment tests carried out in 2024, the Group recognised a partial impairment of Claudie Pierlot's goodwill for €22.4 million as of the interim closing on June 30. As a reminder, in 2023, the Group recognised a partial impairment of Fursac goodwill in the amount of €5 million.

Among the Group's other business segments, only the Fursac segment has assets with a carrying amount close to their recoverable amount. The amount of assets and the potential impacts of changes in the discount rate after tax, or the perpetual growth rate, are detailed below:

Amount of impairment that would be recognised in the event of:						
(In millions of euros)	Carrying amount of goodwill and brands (net of DTL) at 12/31/2024	Carrying amount of assets in CGU combination affected at 12/31/2024	0.5% increase in the discount rate after taxes	0.5% decrease in the perpetual growth rate	Discount rate threshold	Perpetual growth rate threshold
Sandro	576.0	708.0	-	-	11.9%	n.a
Maje	407.3	510.7	-	-	12.7%	n.a
Claudie Pierlot	59.3	86.3	-	-	11.8%	0.1%
Fursac	53.2	62.1	(5.1)	(2.9)	10.9%	1.8%
TOTAL	1,095.8	1,367.1				

6.5 NON-CURRENT FINANCIAL ASSETS

Financial assets amounted to €16.8 million at December 31, 2024 and correspond mainly to loans and guarantees.

6.6 INVENTORIES

Raw materials and other supplies are recognised at the lower of purchase cost and their estimated net realisable value.

The cost of finished products and goods (excluding defective goods) is based on purchase price or production cost. The production cost is determined by the integration of all costs directly attributable to products.

The cost of finished products includes the cost of design, raw materials, and direct costs including logistics costs. It does not include borrowing costs.

At the end of the period (annual or interim), the Group recognises an impairment on its inventories for all collections that have already been sold within its outlet network and based on their expected turnover.

The table below illustrates changes in inventories at the end of the period:

(In millions of euros)	12/31/2024		
	Gross value	Impairments	Carrying amount
Raw materials and other supplies	30.8	(5.4)	25.4
Finished products	253.2	(18.3)	234.8
TOTAL INVENTORIES	283.9	(23.7)	260.2

(In millions of euros)	12/31/2023		
	Gross value	Impairments	Carrying amount
Raw materials and other supplies	39.3	(6.0)	33.3
Finished products	267.0	(18.5)	248.5
TOTAL INVENTORIES	306.3	(24.5)	281.8

The impairment of inventories reflects the technical and stylistic obsolescence of the Group's inventories at December 31, 2024.

(In millions of euros)	12/31/2024
Cumulative impairment at the beginning of the period	(24.5)
Impairments	(23.3)
Reversals	24.5
Other and foreign exchange differences	(0.4)
CUMULATIVE IMPAIRMENT AT THE END OF THE PERIOD	(23.7)

(In millions of euros)	12/31/2023
Cumulative impairment at the beginning of the period	(28.0)
Impairments	(25.2)
Reversals	28.0
Other and foreign exchange differences	0.7
CUMULATIVE IMPAIRMENT AT THE END OF THE PERIOD	(24.5)

6.7 TRADE AND RELATED RECEIVABLES

Trade and related receivables are initially recognised at fair value. Subsequent measurement takes account of the probability that the receivables will be collected and a specific impairment loss is recorded for any doubtful receivables, as follows:

- disputed receivables are impaired when there is certain and specific evidence showing that the receivables will not be collected;
- the impairment of other doubtful items is recorded to adjust the estimated recoverable amounts on the basis of information available when the financial statements are prepared.

The net carrying amount of assets is reduced through impairment and the loss is recorded in the income statement under "Other operating income and expenses". Irrecoverable receivables are recorded in the income statement and existing impairments are reversed.

The Group's exposure is limited to its wholesale/partnered retail, affiliate and department store sales activities.

Judgements and estimates

Impairment for doubtful receivables represents a reasonable estimate of loss attributable to the specific and general risk of not being able to collect the trade receivables recognised in the financial statements.

<i>(In millions of euros)</i>	01/01/2024	Changes in gross value	Impairments	Reversals	Translation adjustment	Changes in scope	12/31/2024
Trade and related receivables	69.0	1.6	-	-	0.8	-	71.3
Provisions for impairment	(0.8)	-	(1.8)	0.3	-	-	(2.3)
TRADE RECEIVABLES, NET	68.2	1.6	(1.8)	0.3	0.8	-	69.0

<i>(In millions of euros)</i>	01/01/2023	Changes in gross value	Impairments	Reversals	Translation adjustment	Changes in scope	12/31/2023
Trade and related receivables	63.1	6.0	-	-	(0.5)	0.4	69.0
Provisions for impairment	(0.2)	-	(0.5)	-	-	-	(0.8)
TRADE RECEIVABLES, NET	62.9	6.0	(0.5)	-	(0.5)	0.4	68.2

Department stores are invoiced at the end of the month, for payment the following month. Receivables from local partners are paid between 30 and 45 days. Bank guarantees are set up where appropriate.

The amount of trade receivables is as follows:

<i>(In millions of euros)</i>	12/31/2024
Not past due	50.0
1 to 30 days	(1.0)
31 to 60 days	2.3
More than 60 days	1.8
TOTAL	53.1

6.8 OTHER CURRENT ASSETS

Other receivables, for a total amount of €50.8 million at December 31, 2024, mainly include prepaid expenses of €21.7 million, advances and down payments paid to suppliers for €9.0 million, tax receivables for

€9.1 million, notably the value added tax recoverable by the Group from the tax authorities of the countries in which it operates, as well as €10.9 million of corporate tax receivables, mainly in France.

6.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of readily available liquid assets and financial investments with maturity of no more than three months from the date of acquisition. These assets are highly

liquid, easily convertible into cash, and subject to a negligible risk of change in value.

Loans and guarantees pledged as collateral are recorded as non-current financial assets.

At December 31, 2024, cash and cash equivalents (net of current bank overdrafts) is split as follows:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Cash and cash equivalents	50.9	48.5
Current bank overdrafts	(17.2)	(21.7)
CASH NET OF CURRENT BANK OVERDRAFTS	33.7	26.8

6.10 EQUITY

6.10.1 Share capital

The total value of the shares issued by the parent company is recognised in full within equity, as these instruments represent its share capital.

At December 31, 2024, the Company's fully subscribed and paid-up share capital amounted to €83,917,383 and broke down as follows:

- 75,591,187 fully-paid up ordinary shares with a nominal value of one euro and ten cents (€1.10);
- 697,343 class G preferred shares which are the preferred shares within the meaning of Articles L. 228-11 et seq. of the French Commercial Code and with a nominal value of one euro and ten cents (€1.10).

Shareholders	12/31/2024			
	Number of ordinary shares	Number of class G preferred shares	Total number of shares	% of share capital
European TopSoho S.à r.l.	6,075,848	-	6,075,848	8.0%
Glas SAS (London Branch)	21,952,315	-	21,952,315	28.8%
Other shareholder(s)	12,106,939	-	12,106,939	15.9%
Founders & Managers	5,693,512	601,804	6,295,316	8.3%
Free Float	29,549,474	95,539	29,645,013	38.9%
Treasury shares	213,099	-	213,099	0.3%
TOTAL	75,591,187	697,343	76,288,530	100.0%

Shareholders	12/31/2023			
	Number of ordinary shares	Number of class G preferred shares	Total number of shares	% of share capital
European TopSoho S.à r.l.	6,075,848	-	6,075,848	8.0%
Glas SAS (London Branch)	21,952,315	-	21,952,315	28.8%
Other shareholder(s)	12,106,939	-	12,106,939	15.9%
Founders & Managers	5,316,129	607,258	5,923,387	7.7%
Free Float	29,439,655	90,085	29,529,740	38.7%
Treasury shares	700,301	-	700,301	0.9%
TOTAL	75,591,187	697,343	76,288,530	100.0%

6.10.2 Rights attached to shares

Voting rights attached to common shares

Each share is entitled to one vote after its issuance, proportional to the portion of share capital they represent.

Voting rights attached to class G preferred shares

The 697,343 class G preferred shares existing at December 31, 2024 were convertible into 2,735,711 ordinary shares since January 1, 2019. All class G preferred shares were automatically converted on January 1, 2025. New ordinary shares issued upon conversion of class G preferred shares are treated as existing ordinary shares of the same category. On January 1, 2024, no class G preferred shares had been converted into ordinary shares.

There were four free share plans at December 31, 2024 (see Note 5.5 "Share-based payments").

6.10.3 Treasury shares

Treasury shares are recognised as a deduction from equity at their acquisition cost. Earnings from the disposal or cancellation of shares are recognised directly in equity.

The total amount of treasury shares consists, on the one hand, of shares purchased under the liquidity agreement and, on the other hand, of shares bought back to cover the long-term incentive plans of Group executives and employees (213,099 shares). These treasury shares correspond to a total amount of approximately €0.7 million.

It should be noted that as of December 31, 2024, no shares were held under the liquidity agreement, which also had €1,015,687 in available funds.

6.11 FINANCIAL LIABILITIES

Each quarter, the Group calculates net financial debt, which constitutes an important indicator of the Group's financial performance, as follows:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Cash and cash equivalents	(50.9)	(48.5)
Current bank overdrafts	17.2	21.7
Cash net of current bank overdrafts	(33.7)	(26.8)
Short-term bank borrowings and debt	95.7	103.9
Long-term bank borrowings and debt	221.3	156.7
Other financial borrowings	2.7	3.6
Accrued interest on borrowings and other liabilities	0.3	(0.3)
NET FINANCIAL LIABILITIES LINKED TO OPERATIONS	286.3	237.2

On December 31, 2024, the financial leverage clause (net financial liabilities excluding IFRS 16/EBITDA excluding IFRS) was amended to limit this ratio to 3.25x. This clause was respected at the end of 2024, with leverage standing at 2.57x. The main components of financial liabilities are presented below:

<i>Liabilities in millions of euros</i>	Initial or maximum amount	Capital outstanding at 12/31/2024	Maturity
Term Loan A	265.0	90.0	May 2026
Revolving Credit Facility	200.0	15.0	May 2026
SGLs issued in 2020	140.0	84.0	June 2026
SGLs issued in 2021	53.0	43.0	June 2027
NEU CP	200.0	25.0	Unlimited
Other of which acquisition financing	5.0	3.4	July 2026

As provided for in the amortisation plans for each financing line, in 2024, the Group repaid the fourth Term Loan A tranche of €10.0 million of the and the maturities of the two SGLs for €32.7 million, and €2.9 million in various medium-term borrowings (see Cash flow statement in paragraph 6.1.1.4 "Reimbursement of financial liabilities").

The partial drawdown of the Revolving Credit Facility (RCF) decreased from €25 million at the end of the 2023 financial year to €15 million at the end of the 2024 financial year. The Group did not issue any new liabilities during the 2024 financial year.

The debt maturity schedule is as follows:

<i>(In millions of euros)</i>	Carrying amount as of December 31, 2024	Contractual cash flows	<1 year	1 to 5 years	>5 years
Bank borrowings	257.1	257.8	100.9	156.9	-
Amortisable term borrowings (Term Loan A & PGE)	216.3	217.0	62.0	155.0	-
Revolving Credit Facility (RCF)	15.0	15.0	15.0	-	-
Other bank borrowings	4.4	4.4	2.5	1.9	-
Bank overdrafts	21.7	21.7	21.7	-	-
Accrued interest on borrowings and other liabilities	(0.3)	(0.3)	(0.3)	-	-
Other loans and borrowings	28.6	28.6	25.7	2.9	-
Short-term negotiable securities (NEU CP)	25.0	25.0	25.0	-	-
Other financial borrowings	3.6	3.6	0.7	2.9	-
FINANCIAL LIABILITIES	285.7	286.4	126.6	159.8	-

Loans contracted under the Credit Facility will bear interest at an EURIBOR-indexed floating rate for the drawn period, increased by the applicable margin.

6.12 CURRENT AND NON-CURRENT PROVISIONS

Basic principles

A provision is recognised whenever the Group has an obligation with regard to a third party which is likely to result in an outflow of cash that can be reliably estimated. When execution of this obligation is expected to be deferred by more than one year, the provision is classified within "Non-current liabilities" and the amount is discounted, with the effects of discounting recognised as net financial expense using the effective interest rate method.

Judgements and estimates

The main estimates and judgements relating to provisions for contingent liabilities are based on the following assumptions:

- restructuring costs: number of employees, probable costs per employee;
- disputes and litigation (e.g.: contractual penalties, tax risks): the assumptions underlying the assessment of the legal position and the valuation of risks based on the probability of occurrence.

The table below illustrates changes in this item over the period presented:

(In millions of euros)	01/01/2024	Additions	Reversals (utilised provisions)	Reversals (N/A)	OCI/ reclassification	Foreign exchange differences	12/31/2024
Provision for contingencies and charges	0.6	-	(0.4)	-	4.6	0.1	4.9
Provisions for pension liabilities	5.0	1.0	(0.4)	-	-	-	4.6
TOTAL NON-CURRENT PROVISIONS	5.6	1.0	(0.8)	-	4.6	0.1	9.5
Provisions for disputes	1.3	1.0	(0.9)	-	0.2	-	1.6
TOTAL CURRENT PROVISIONS	1.3	1.0	(0.9)	-	0.2	-	1.6

(In millions of euros)	01/01/2023	Additions	Reversals (utilised provisions)	Reversals (N/A)	OCI/ reclassification	Foreign exchange differences	12/31/2024.3
Provision for contingencies and charges	0.7	0.4	(0.5)	-	-	-	0.6
Provisions for pension liabilities	4.3	1.0	(0.6)	-	0.3	-	5.0
TOTAL NON-CURRENT PROVISIONS	5.0	1.4	(1.1)	-	0.3	-	5.6
Provisions for disputes	1.6	0.7	(1.0)	-	-	-	1.3
TOTAL CURRENT PROVISIONS	1.6	0.7	(1.0)	-	-	-	1.3

Provisions for disputes include provisions for labour-related risks and supplier-related risks.

6.13 EMPLOYEE BENEFITS

Defined contribution plans

Under defined contribution plans, the Group pays contributions based on salaries to external bodies and has no obligation with regard to the level of benefits paid to the beneficiaries. Expenses are recognised when the contributions become due.

Defined benefit plans

Retirement benefit obligations under defined-benefit plans are recognised at the present value of the obligations arising from these plans as of December 31, 2024. The Group's liability for defined benefit pension plans is calculated annually by independent actuaries, using a discount rate determined on the basis of issuance rates for high-quality private-sector bonds (AA and AAA-rated companies) at December 31, 2024.

The obligation depends on the retirement conditions provided for in the collective agreement and on the length of service of the employees, insofar as it is determined according to their possible retirement date. This commitment takes into account the

probability that the employee will leave the Company after having acquired the right to a full pension. All of these costs, including social security contributions, are cumulative and systematically recognised in the income statement for as long as the employee remains in the workforce. The provision for severance packages, under the collective agreements, covers the specific benefits of the French plan. The Group has no commitments of this nature for its employees who are employed in countries other than France. It is estimated on an actuarial basis using the projected unit credit method (method of allocating accrued benefits pro-rated on years of service) in accordance with IAS 19 "Employee Benefits". The IFRIC amendment has no impact on the Company (see Note 2.2.2 "Accounting rules and policies").

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised under "Other comprehensive income" and are not reclassified to profit or loss.

Past service costs are immediately recognised in the income statement.

The provision for pension liabilities only relates to France and takes into account:

- the rights acquired by each employee at the end of each period. The salary revaluation rate (excluding inflation) is estimated at 3.75% for managerial-grade staff and supervisors and 2.75% for blue-collar workers and administrative staff;
- the probability of each employee being with the Group at retirement (and being entitled to a full pension);
- the probability of termination of the employment contract by the employee;
- a discount rate of 3.25%;
- top management is not eligible for pension benefits.

(In millions of euros)

	12/31/2023	12/31/2024
Projected benefit obligation at the beginning of the period	4.2	4.9
Current service cost	0.3	0.4
Estimated interest cost	0.1	0.1
Other comprehensive income/(loss)	0.3	(0.8)
Projected benefit obligation at the end of the period	4.9	4.6
Liability recognised on the statement of financial position	4.9	4.6
Service cost	0.3	0.4
Current service cost	0.3	0.4
Net interest cost	0.1	0.1
Interest cost	0.1	0.1
Net cost for the period	0.4	0.5

6.14 TRADE AND OTHER PAYABLES

Trade payables, amounting to €143.4 million as of December 31, 2024, include, in particular, €16.5 million of payables related to acquisitions of non-current assets. The amount of trade payables (excluding suppliers of non-current assets and supplier invoices not received) is as follows:

<i>(In millions of euros)</i>	12/31/2024
Not past due	43.9
1 to 30 days	22.0
31 to 60 days	4.0
More than 60 days	3.7
TOTAL	73.6

6.15 OTHER CURRENT LIABILITIES

Other current liabilities amounted to €86.7 million at December 31, 2024 and were mainly composed of taxes, duties and other payroll-related liabilities totalling €56.0 million, and advances and down payments from customers for €21.1 million.

6.16 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value measurement

Pursuant to IFRS 13 "Fair Value Measurement", fair value (or market value) is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by employing the asset in its highest and best use or by selling it to another market participant that would employ the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy (see below) based on the lowest-level input that is significant to the fair value measurement as a whole:

- level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities;
- level 2 – valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable;
- level 3 – valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

In "Non-current financial assets" (Note 6.5), the Group measures pledged assets as collateral at fair value on December 31 of each year (Level 2 of the fair value hierarchy).

The fair value of derivative instruments recognised at December 31, 2024 was determined using Level 2 of the fair value hierarchy.

Fair value hedge (FVH):

These changes in the fair value of the hedged assets or liabilities are recorded in the income statement and offset changes in the value of the derivative instrument allocated to the underlying asset. The time value of a purchased option and the forward component (carry forward/discount) of forward contracts are treated as a "cost" related to the hedging. Thus, the change in the time value of the options and the change in the carry forward/discount of forward transactions are recorded in equity during the life of the transactions, and recognised in the income statement symmetrically with the hedged item.

Cash flow hedge (CFH):

The effective portion of changes in the value of the derivative is recorded in other comprehensive income and recognised in the income statement symmetrically with the hedged item. The time value of a purchased option and the forward component (carry forward/discount) of forward contracts are treated as a "cost" related to the hedging. Thus, the change in the time value of the options and the change in the carry forward/discount of forward transactions are recorded in equity during the life of the transactions, and recognised in the income statement symmetrically with the hedged item. The ineffective portion is recognised immediately in the income statement.

The net carrying amounts and fair values of financial assets and liabilities are summarised in the table below:

(In millions of euros)	Notes	Valuation procedures	Fair value hierarchy	12/31/2023		12/31/2024	
				Net carrying amount	Fair value	Net carrying amount	Fair value
Loans and receivables		Loan & receivable	(1)	18.5	18.5	16.8	16.8
Non-current financial assets	6.5			18.5	18.5	16.8	16.8
Trade and related receivables	6.7	Loan & receivable	(1)	68.2	68.2	69.0	69.0
Derivative instruments eligible for hedge accounting⁽²⁾		FV OCI/FV PL	(2)	0.6	0.6	0.2	0.2
Cash and cash equivalents	6.9	Loan & receivable	(1)	50.9	50.9	48.5	48.5
Term Loan A		Amortised costs	(1)	90.0	90.0	75.0	75.0
PGE		Amortised costs	(1)	126.7	126.7	79.7	79.7
Other loans		Amortised costs	(1)	4.4	4.4	1.9	1.9
Deposits and sureties received		Amortised costs	(1)	0.1	0.1	0.6	0.6
Accrued interest on borrowings		Amortised costs	(1)	0.3	0.3	(0.3)	(0.3)
Other financial borrowings		Amortised costs	(1)	2.0	2.0	2.2	2.2
Long-term financial borrowings	6.11			223.6	223.6	159.2	159.2
Trade and other payables	6.14	Amortised costs	(1)	161.9	161.9	143.4	143.4
Current bank overdrafts		Amortised costs	(1)	17.2	17.2	21.7	21.7
Term Loan A		Amortised costs	(1)	8.6	10.0	13.6	15.0
Revolving Credit Facility (RCF)		Amortised costs	(1)	25.0	25.0	15.0	15.0
NEU CP		Amortised costs	(1)	25.0	25.0	25.0	25.0
PGE		Amortised costs	(1)	34.5	33.0	48.0	47.3
Other loans		Amortised costs	(1)	2.7	2.7	2.5	2.5
Other financial borrowings		Amortised costs	(1)	0.6	0.6	0.7	0.7
Bank overdrafts and short-term borrowings and debt	6.9	Amortised costs	(1)	113.6	113.5	126.5	127.2
Derivative instruments eligible for hedge accounting⁽²⁾		FV OCI/FV PL	(2)	0.6	0.6	2.0	2.0

(1) Fair value is not provided since the net carrying amount represents a reasonable estimate of their fair value.

(2) These are forward contracts or options intended to hedge future cash flows denominated in foreign currencies. The application of IFRS 9 has broadened the scope of financial instruments eligible for hedge accounting. Below are the Group's accounting rules for hedge accounting under IAS 39 and then IFRS 9:

At December 31, 2024, the fair value of derivative instruments was estimated based on their market value (using Level 2 of the fair value hierarchy according to IFRS 13, by reference to recent transactions between knowledgeable, willing parties in an arm's length transaction).

FV OCI: fair value through other comprehensive income

FV PL: fair value through profit or loss

6.17 FINANCIAL INSTRUMENTS AND MARKET RISK MANAGEMENT

6.17.1 Organisation of foreign exchange, interest rate and market risk management

Foreign exchange and interest rate risk are managed on a centralised basis.

The Group has implemented a strict policy and rigorous guidelines to manage, assess and monitor these market risks and may use financial instruments within this framework.

6.17.2 Foreign exchange risk

The Group has a significant portion of its revenue (approximately 39% during the period ended December 31, 2024) in foreign currencies, notably the US dollar, the Chinese yuan, the pound sterling, the Swiss franc, the Canadian dollar, the Australian dollar, the New Zealand dollar and the Hong Kong dollar. A portion of the cost of its sales is also denominated in foreign currencies, in particular purchases denominated in US dollars or Chinese yuan. The Group also holds certain assets that are recorded in its balance sheet in foreign currencies.

The Group is therefore exposed to changes in its currencies, as its reporting currency is the euro.

6.17.3 Interest rate risk

The Group is exposed to the risk of interest rate fluctuations due to some of its debt whose interest rates are indexed to the European Interbank Offered Rate ("EURIBOR"), plus a margin. Short-term negotiable securities (NEU CP) are now reported in floating-rate debt. The table below shows the breakdown of fixed-rate/floating-rate debt at December 31, 2024:

(In millions of euros)	12/31/2023		12/31/2024	
Floating-rate debt	206.8	65%	175.7	67%
Term Loan A	100.0	32%	90.0	34%
Revolving Credit Facility (RCF)	25.0	8%	15.0	6%
Floating-rate PGEs	56.7	18%	45.7	17%
Short-term negotiable securities (NEU CP)	25.0	8%	25.0	10%
Fixed-rate debt	110.1	35%	85.7	33%
Fixed-rate PGE lines	103.0	32%	81.3	31%
Other bank borrowings	7.2	2%	4.4	2%
TOTAL	316.9	100%	261.4	100%

Short-term negotiable securities (NEU CP) are now reported as variable debt.

6.17.4 Sensitivity to interest rate risk

Based on the Group's financial commitments during the year ended on December 31, 2024, and the level of interest rates, a 50 basis points increase of these rates would have an impact of €1.3 million over the period.

6.17.5 Derivatives used to manage foreign exchange risk

Foreign currency transactions

Transactions carried out by consolidated companies in a currency other than their functional currencies are translated at the average annual exchange rate for the period in question.

Trade receivables, trade payables and liabilities denominated in currencies other than the entities' functional currencies are translated at the applicable exchange rates as of December 31, 2024.

Unrealised foreign exchange differences resulting from this translation are recognised:

- as cost of sales in the case of commercial transactions;
- as net financial expense in the case of financial transactions.

Foreign exchange gains and losses arising from the translation of intragroup transactions or receivables and payables denominated in currencies other than the entities' functional currency are recorded in the income statement.

The Group uses financial instruments to reduce its exposure to foreign exchange risks.

Derivative financial instruments are initially recognised at fair value on the date of signature of the derivative contract, and are subsequently revalued at their fair value, whether or not the derivatives qualify as hedges within the meaning of IFRS 9. The

recognition of gains or losses the income statement depends on whether or not the derivative is designated as a hedging instrument and, in this case, on the nature of the hedged item. The Group hedges the foreign exchange risk relating to recognised assets or liabilities, or future transactions deemed highly probable (cash flow hedges).

The fair values of asset and liability derivative instruments at December 31, 2024 are as follows:

<i>(In millions of euros)</i>	Positive Fair Value	Negative Fair Value	Net Fair Value
Terms	0.2	(1.7)	(1.6)
Options	0.1	(0.3)	(0.2)
TOTAL	0.2	(2.0)	(1.8)

The fair values of asset and liability derivative instruments were as follows on December 31, 2023:

<i>(In millions of euros)</i>	Positive Fair Value	Negative Fair Value	Net Fair Value
Terms	0.5	(0.5)	0.0
Options	0.1	(0.1)	(0.1)
TOTAL	0.6	(0.6)	(0.1)

At the time of the transaction, the Group documents the relationship between the hedging instrument and the hedged item, the management objective and the hedging strategy. The Group also documents the efficiency of the hedge in offsetting changes in fair value or cash flows of hedged items from the time of its application and for its full duration.

A significant portion of Group companies' sales to customers and to their own retail subsidiaries as well as some of their purchases are denominated in currencies other than their functional currency.

Hedging instruments are used to mitigate risks arising from currency fluctuations in transactions forecasted in future periods (cash flow hedges).

Future foreign currency-denominated cash flows are estimated in the budget preparation process and are hedged progressively over average maturity for a collection period rarely exceeding one year. In fact, in accordance with market trends, identified foreign exchange risks are hedged by forward contracts or options.

Type of impact	Hedge type	USD	GBP	CHF	CNY	CAD	HKD	AUD	NZD	12/31/2024
		Export	Export	Export	Export	Export	Export	Export	Export	
AERG impacts	CFH	(0.0)	(0.3)	(0.1)	0.0	0.0	(0.3)	0.0	0.0	(0.7)
AERG impacts	FVH	(0.0)	(0.0)	(0.0)	0.3	(0.0)	(0.0)	(0.0)	(0.0)	0.3
CdR impacts	CFH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CdR impacts	FVH	(0.0)	(0.1)	(0.1)	(1.2)	0.0	0.0	0.0	0.0	(1.3)
CdR impacts	Trading	0.0	(0.0)	(0.0)	0.0	0.0	(0.0)	0.0	0.0	(0.0)
TOTAL (in €M)		(0.0)	(0.5)	(0.1)	(0.9)	0.0	(0.4)	0.1	0.0	(1.8)
Position (in million foreign currency)		13	24	2	315	8	74	13	1	

Cash flow hedges are used to hedge purchases and sales of the Group's spring/summer and autumn/winter collections.

Foreign exchange risk sensitivity analysis

An increase (decrease) in the euro against the various currencies at December 31 would have affected the value of the financial instruments denominated in foreign currencies and would have led to a decrease (increase) in equity and profit as indicated in the table below.

12/31/2024 (In millions of euros)	Equity		Income statement	
	Increase	Decrease	Increase	Decrease
USD (+/-10% change)	(0.2)	0.2	(1.1)	1.0
GBP (+/-10% change)	(2.1)	1.3	(1.2)	0.9
CHF (+/-10% change)	(1.0)	0.8	0.7	(0.9)
HKD (+/-10% change)	(1.3)	0.6	0.1	(0.2)
CNY (+/-10% change)	0.0	0.5	(5.1)	2.8
CAD (+/-10% change)	(0.4)	0.4	(0.0)	0.0
AUD (+/-10% change)	(0.1)	0.2	(0.6)	0.6
NZD (+/-10% change)	0.0	0.0	0.0	0.0
NET CASH FLOW SENSITIVITY	(5.0)	4.0	(7.1)	4.2

An increase (decrease) in the euro against these currencies at December 31 would have affected the presentation of the consolidated financial statements to the extent indicated in the table below (excluding the impact of financial instruments and derivatives above).

This analysis is based on exchange rate fluctuations that the Group considers reasonable as of December 31, 2024. For the purposes of this analysis, it was assumed that all other variables and particularly interest rates, remained constant. Impacts on forecast sales and purchases were not taken into account.

This analysis is based on the exchange rate in force as of December 31, 2024 on the financial statements denominated in foreign currencies of consolidated entities as of December 31, 2024.

12/31/2024 (In millions of euros)	Equity		Income statement	
	Increase	Decrease	Increase	Decrease
USD (+/-10% change)	(3.4)	4.2	(1.2)	1.4
GBP (+/-10% change)	0.2	(0.2)	(0.6)	0.8
HKD (+/-10% change)	(5.6)	6.8	2.8	(3.5)
CNY (+/-10% change)	(0.9)	1.1	(0.2)	0.3
SENSITIVITY TO EXCHANGE RATE	(9.7)	11.9	0.8	(1.0)

6.17.6 Maturity of financial liabilities and liquidity risk

The Group's exposure to liquidity risk can be assessed in relation to the amount of its short-term borrowings excluding derivatives, net of cash and cash equivalents.

The Group's liquidity depends on the amount of its investments, its capacity to raise long-term borrowings and the quality of its banking relationships (i.e. whether there are any committed credit facilities).

The following table presents the contractual repayment schedule of principal and interest (excluding derivatives) at December 31, 2024.

(In millions of euros)	2025	2026	2027	Total	Carrying amount as
					of December 31, 2024
Amortisable term borrowings (Term Loan A & PGE)	62.0	47.0	108.0	217.0	216.3
Revolving Credit Facility (RCF)	15.0	-	-	15.0	15.0
Other bank borrowings	2.5	1.9	-	4.4	4.4
Bank overdrafts and short-term borrowings and debt	25.0	-	-	25.0	25.0
Accrued interest on borrowings and other liabilities	(0.3)	-	-	(0.3)	(0.3)
Other financial borrowings	0.7	0.7	2.2	3.6	3.6
Bank overdraft	21.7	-	-	21.7	21.7
TOTAL FINANCIAL LIABILITIES AS OF DECEMBER 31, 2024	126.6	49.6	110.2	286.4	285.7

At the end of the 2024 financial year, the Group was drawing down €15 million on the revolving credit facility of €200 million, and its Neu CP outstanding amount was €25 million.

6.17.7 Credit risk

The Group is exposed to a limited credit risk given the various sales channels for the Group's products:

- a large part of its business is retail for which customers pay cash;
- affiliates are billed once or twice a month and payment is made within a few days. The Group has a bank guarantee for each of its affiliates;
- department stores are billed at the end of each month for payment during the following month;
- local partners, or "wholesale/partnered retail" (outside France) pay within 30 to 45 days usually covered by letters of credit. If local partners are located in a country considered at risk, they pay before the delivery of the goods;
- at the end of period on December 31, 2024, the amount of receivables due represented €3.3 million, or 5.8% of the balance of trade receivables.

Note 7 Off-balance sheet commitments

7.1 COMMITMENTS RECEIVED

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Undrawn credit lines (revolving credit)	175.0	185.0
Guarantee commitments	4.9	5.9
COMMITMENTS RECEIVED	179.9	190.9

At December 31, 2024, the guarantee commitments consisted of guarantees received from affiliates for €2.1 million and from partners for €3.8 million.

7.2 COMMITMENTS GIVEN

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Sureties	0.1	-
Letters of credit	0.6	0.3
Pledging of a business	1.7	0.1
Guarantee commitments	29.9	32.3
COMMITMENTS GIVEN	31.8	32.7

At December 31, 2024, the guarantee commitments consist primarily of bank guarantees.

Note 8

Additional information

8.1 HEADCOUNT

The table below shows the breakdown of the Group's workforce by geographical area:

	Operational workforce ⁽¹⁾		Average operational workforce in full-time equivalent ⁽²⁾	
	12/31/2023	12/31/2024	12/31/2023	12/31/2024
France	2,645	2,698	2,479	2,543
Europe (excluding France)	1,761	1,758	1,368	1,352
America	642	677	506	536
Asia	1,772	1,421	1,737	1,260
TOTAL HEADCOUNT	6,820	6,554	6,090	5,691

(1) The Group's operational workforce includes persons employed by one of the Group's companies under permanent contracts or fixed-term contracts and recorded in the personnel registers at December 31, regardless of their length of service. This includes employees on maternity or adoption leave, employees on secondment to another Group entity and employees on sabbatical leave (more than six months) who have been replaced. It excludes subcontractors, temporary workers, interns, apprentices and employees on work-study programs, employees seconded to non-Group companies and employees on sabbatical leave (more than six months) but who have not been replaced.

(2) The average number of full-time equivalent (FTE) operational employees corresponds to the operational workforce at the end of each month of the period, adjusted to reflect the number of part-time employees using the individual attendance rate, as well as employees present for only part of the period, divided by the number of months of the period concerned.

8.2 STATUTORY AUDITORS' FEES

Audit fees for the consolidated financial statements of SMCP SA and its subsidiaries for the financial year ended December 31, 2024 (including non-audit services, notably with the CSRD audit and certifications of revenue) break down as follows within the panel composed of Deloitte et Associés (including their network) and Grant Thornton (including their network):

	Grant Thornton		Deloitte et Associés		Other networks	
	(In millions of euros)	%	(In millions of euros)	%		
Certification of accounts						
SMCP SA	0.3	50%	0.4	50%		
Fully consolidated subsidiaries	0.3	50%	0.3	38%	0.1	100%
CSRD audit	0.0	0%	0.1	12%	0.0	0%
Sub-total	0.6	100%	0.8	100%	0.1	100%
Services other than the certification of accounts						
SMCP SA	0.0		0.0			
Fully consolidated subsidiaries	0.0		0.0		0.2	100%
Sub-total	0.0	0%	0.0	0%	0.2	100%
TOTAL	0.6	100%	0.8	100%	0.3	100%

8.3 RELATED-PARTY TRANSACTIONS

In accordance with IAS 24 "Related Party Disclosures", a related party is a person or entity that is related to the entity preparing its financial statements.

This may be any of the following:

- a person or company that has control over the Group;
- an associated company of the Group;

- a joint venture;
- an important member of the Company's management team (or a member of his/her family) or someone with a sensitive position.

A transaction with a related party involves a transfer of goods, services or commitments between the Group and the related party.

The Group's related party transactions include:

- transactions with a company that controls the Group or with associated companies;
- transactions with key members of the Group's management and supervisory bodies (or close members of their families).

8.3.1 Transactions with shareholders (whether or not they control the Group)

None.

8.3.2 Transactions with members of the Group's management and supervisory bodies

a) Transactions with members of the Group's management and supervisory bodies or their families or close friends

Certain members of the Group's management or supervisory bodies and their families or close friends are also members of other companies which they control or over which they have significant influence. Some of these companies recorded transactions with the Group at December 1, 2024 and 2023 as presented below:

<i>(In millions of euros)</i>	Executive management services	Affiliation agreements
Évelyne Chétrite SASU, managed by Évelyne Chétrite	1.1	
Judith Milgrom SASU, managed by Judith Milgrom	1.1	
LEV company managed by Lévana Gampel, daughter of Judith Milgrom		1.1
Total for the period	2.2	1.1
TOTAL TRANSACTIONS FOR 2024		3.3

The Group has also negotiated severance packages with some of its managers to be paid if they leave the Group. The total amount of end-of-service liabilities was €4.2 million at December 31, 2024.

<i>(In millions of euros)</i>	Executive management services	Affiliation agreements
Évelyne Chétrite SASU, managed by Évelyne Chétrite	1.0	
Judith Milgrom SASU, managed by Judith Milgrom	1.0	
LEV company managed by Lévana Gampel, daughter of Judith Milgrom		1.2
Total for the period	2.0	1.2
TOTAL TRANSACTIONS FOR 2023		3.2

Similarly, the total amount of commitments in terms of services amounted to €4,8 million as of December 31, 2023.

b) Executive compensation

The table below presents the breakdown of total compensation recognised in respect of members of the Executive Committee and Board of Directors in respect of their functions within the Group, as well as the amount of pensions provisions related to the Group's managers:

<i>(In millions of euros)</i>	12/31/2023	12/31/2024
Gross fixed salary	5.1	4.6
Variable salary	1.8	1.0
Social security expenses	2.9	1.9
Directors' compensation	0.4	0.5
Free shares	1.6	1.0
TOTAL	11.8	9.0
Retirement indemnities	0.3	0.3

The Group has negotiated severance packages with some of its managers to be paid if they leave the Group. The total amount of end-of-service liabilities was €8.7 million euros at December 31, 2024.

8.4 SCOPE OF CONSOLIDATION

The table below shows the scope of consolidation at December 31, 2024:

Companies	12/31/2023		12/31/2024	
	% interest*	Consolidation method	% interest*	Consolidation method
SMCP	100.00%	Holding	100.00%	Holding
SMCP GROUP	100.00%	FC	100.00%	FC
SMCP LOGISTIQUE	100.00%	FC	100.00%	FC
SANDRO ANDY	100.00%	FC	100.00%	FC
SMCP BELGIQUE	100.00%	FC	100.00%	FC
SMCP DEUTSCHLAND	100.00%	FC	100.00%	FC
PAP SANDRO ESPAÑA	100.00%	FC	100.00%	FC
SMCP ITALIA	100.00%	FC	100.00%	FC
SMCP UK	100.00%	FC	100.00%	FC
SMCP IRELAND	100.00%	FC	100.00%	FC
MAJE	100.00%	FC	100.00%	FC
SMCP LUXEMBOURG	100.00%	FC	100.00%	FC
MAJE SPAIN	100.00%	FC	100.00%	FC
MAJE STORES	100.00%	FC	100.00%	FC
CLAUDIE PIERLOT	100.00%	FC	100.00%	FC
SMCP USA	100.00%	FC	100.00%	FC
SMCP USA Retail East	100.00%	FC	100.00%	FC
SMCP USA Retail West	100.00%	FC	100.00%	FC
SMCP CANADA	100.00%	FC	100.00%	FC
SMCP ASIA	100.00%	FC	100.00%	FC
SMCP SHANGHAI TRADING CO.	100.00%	FC	100.00%	FC
SMCP NETHERLANDS	100.00%	FC	100.00%	FC
SMCP SWITZERLAND	100.00%	FC	100.00%	FC
SMCP Hong Kong	100.00%	FC	100.00%	FC
SANDRO FASHION SINGAPORE	100.00%	FC	100.00%	FC
AZ RETAIL	100.00%	FC	100.00%	FC
SMCP DENMARK	100.00%	FC	100.00%	FC
SMCP NORWAY	100.00%	FC	100.00%	FC
SMCP MACAU	100.00%	FC	100.00%	FC
SMCP SWEDEN	100.00%	FC	100.00%	FC
SMCP PORTUGAL	100.00%	FC	100.00%	FC
SMCP TAIWAN	100.00%	FC	100.00%	FC
SMCP JAPAN	100.00%	FC	100.00%	FC
SMCP MALAYSIA	100.00%	FC	100.00%	FC
FURSAC	99.97%	FC	99.97%	FC
SMCP AUSTRALIA	100.00%	FC	100.00%	FC
SMCP NEW ZEALAND	100.00%	FC	100.00%	FC
SMCP APAC PTE	100.00%	FC	100.00%	FC
SMCP FASHION	100.00%	FC	100.00%	FC

* % of interest is the same as % of ownership.

Abbreviation used: "FC" = Full consolidation. "NC" = Not consolidated.

8.5 SUBSEQUENT EVENTS

8.5.1 Conversion of class G preferred shares

As of January 1, 2025, all 697,343 class G preferred shares have been converted into ordinary shares. Consequently, 2,735,711 newly-created ordinary shares were issued and the Company's Articles of Association were modified accordingly. The share capital now consists of 78,326,898 ordinary shares and amounts to €86,159,587.80 (see chapter 5 "Business review and outlook", paragraph 5.1.2).

6.1.3 Auditors' Report on the Consolidated Financial Statements

Year ends on December 31, 2024.

To the Shareholders of SMCP,

Opinion

In accordance with the mandate entrusted to us by your General Meeting, we have conducted the audit of the consolidated financial statements of SMCP for the fiscal year ended December 31, 2024, as attached to this report.

We certify that the consolidated financial statements, in accordance with the IFRS framework as adopted within the European Union, are regular and accurate, and provide a true and fair view of the result of the operations for the year as well as the financial position and assets of the group at the end of the year, which includes all persons and entities included in the consolidation.

The opinion expressed above is consistent with the content of our report to the audit committee.

Basis for the Opinion

Audit Framework

We have conducted our audit in accordance with the professional standards applicable in France. We believe that the evidence we have gathered is sufficient and appropriate to provide a basis for our opinion.

The responsibilities entrusted to us under these standards are outlined in the section "Responsibilities of the auditors in relation to the audit of the consolidated financial statements" of this report.

Independence

We conducted our audit in compliance with the independence rules set out in the French Commercial Code and the ethical code for statutory auditors for the period from January 1, 2024, to the date of issuance of this report, and in particular, we did not provide services prohibited by Article 5, paragraph 1, of Regulation (EU) No 537/2014.

In addition, the services other than the audit of the financial statements that we provided to your company and the entities it controls during the year and that are not mentioned in the management report or the annex to the consolidated financial statements are as follows:

- Issuance of certificates on data derived from the accounts (e.g., annual sales excluding tax per point of sale, financial ratios - covenants).

Justification of Assessments - Key Audit Matters

Pursuant to Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of significant misstatements which, in our professional judgment, were the most important for the audit of the consolidated financial statements for the year, as well as the responses we provided to these risks.

The assessments provided here are made in the context of the audit of the consolidated financial statements taken as a whole and of the formation of our opinion expressed above. We do not express an opinion on individual elements of these consolidated financial statements.

Impairment Testing of Indefinite-Lived Intangible Assets

Description of risk

As of December 31, 2024, as stated in note 6.4.2 "Testing of CGU combination", the value of the Group's indefinite-lived intangible assets amounts to €1,095.8 million against a total balance sheet of €2,298.1 million. These intangible assets consist of the brands Sandro, Maje, Claudie Pierlot, and Fursac, as well as the goodwill recognized during acquisitions.

Goodwill and indefinite-lived intangible assets such as brands are subject to an annual impairment test, or more frequently if there are indicators of impairment. The goodwill and indefinite-lived intangible assets are allocated to four cash-generating units (CGUs), which correspond to the Group's three operating sectors (Sandro, Maje, and Other Brands, grouping Claudie Pierlot and Fursac) and are tested for impairment by CGU. The recoverable value of the CGUs is defined as the higher of fair value less costs to sell and value in use. It is compared to their carrying amount.

If the impairment test reveals an impairment loss for a CGU, its carrying amount is reduced to its recoverable value by recognizing an impairment charge in the income statement. The value in use of the CGU is based on the value of future cash flows expected to result from the use of the CGU. These cash flows are determined based on a tax-adjusted discount rate that incorporates risks related to the performance of the tested asset.

We considered that the impairment tests on indefinite-lived intangible assets are a key audit matter due to their significant importance in the Group's financial statements.

The determination of their recoverable value, most often based on forecasts of discounted future cash flows, requires the use of assumptions involving a high degree of judgment from management, as stated in note 6.4 "Impairment Test" in the notes to the financial statements.

Our Response

As part of our procedures, we evaluated the compliance of the methodology applied by the Group for impairment testing with the applicable accounting standards. We also conducted a critical review of the implementation of this methodology.

Our work consisted, in particular, of:

- Assessing the assumptions and the time horizon selected by management to estimate future cash flows in light of our understanding of the economic environment in which the Group operates.
- Evaluating the consistency of the projected cash flows with the 2025 budget and business plans approved by the board of directors.
- Assessing the appropriateness of the approach used by management to determine the CGUs at which goodwill and other indefinite-lived intangible assets are tested by the Group.
- Assessing the reasonableness of the discount rates applied to the estimated cash flows, in particular, by evaluating whether the parameters of the weighted average cost of capital for each CGU approximate the expected rate of return for market participants in similar businesses.
- Assessing the consistency of the growth rate used for projected cash flows with the rates used by our experts.
- Comparing the prior year's cash flow projections with actual results to evaluate their reliability.
- Evaluating the components of the carrying amount of the CGUs used to carry out the impairment tests.
- Conducting sensitivity analyses of the value in use based on variations in the main assumptions made by management, as presented in paragraph 6.4.2 in the notes to the consolidated financial statements.

Finally, we assessed whether the notes to the consolidated financial statements provide adequate information.

Specific Verifications

In accordance with applicable professional standards in France, we also carried out the specific verifications required by legal and regulatory provisions concerning the group information provided in the board of directors' management report. We have no observations to make regarding their accuracy and consistency with the consolidated financial statements.

Other Verifications or Information Required by Legal and Regulatory Texts

Presentation Format of the Consolidated Financial Statements to be Included in the Annual Financial Report

We also conducted, in accordance with the professional standards for statutory auditors' procedures regarding the annual and consolidated financial statements presented in the European Single Electronic Format, a verification of compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018, in the presentation of the consolidated financial statements to be included in the annual financial report referred to in Article L.451-1-2 of the Monetary and Financial Code, prepared under the responsibility of the CEO.

Regarding consolidated financial statements, our procedures included verifying the compliance of the tagging of these accounts with the format defined by the above 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 respects, with the European Single Electronic Format.

Moreover, it is not our responsibility to verify that the consolidated financial statements that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we have carried out our work.

Designation of Statutory Auditors

We were appointed as statutory auditors of SMCP by your general meeting on September 25, 2017, for Deloitte & Associés, and on June 9, 2022, for Grant Thornton. As of December 31, 2024, Deloitte & Associés had been in office for the eighth year without interruption, and Grant Thornton had been in office for the third year.

Responsibilities of Management and Corporate Governance in Relation to the Consolidated Financial Statements

It is the responsibility of management to prepare consolidated financial statements that provide a true and fair view in accordance with the IFRS framework as adopted within the European Union, and to implement the internal control procedures deemed necessary for the preparation of consolidated financial statements free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for evaluating the company's ability to continue as a going concern, and where appropriate, for disclosing the necessary information regarding going concern, applying the going concern basis of accounting unless liquidation or cessation of activity is planned.

The audit committee is responsible for monitoring the financial reporting process and overseeing the effectiveness of internal control systems, risk management, and, where applicable, internal audit procedures, particularly those relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the board of directors.

Responsibilities of Statutory Auditors in Relation to the Audit of the Consolidated Financial Statements

Objective and Audit Approach

Our role is to express an opinion on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatements. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement. Misstatements can result from fraud or error and are considered material if they could reasonably be expected to influence the economic decisions of users taken on the basis of those statements.

As stated in Article L.821-55 of the French Commercial Code, our certification mission does not involve guaranteeing the viability or quality of the management of your company.

In conducting an audit in accordance with the professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit.

Additionally:

- The auditor identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and implements audit procedures in response to these risks, and obtains sufficient and appropriate evidence to support the opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, falsification, willful omissions, misrepresentations, or circumvention of internal controls;
- The auditor gains an understanding of the relevant internal control systems to design appropriate audit procedures, not for the purpose of expressing an opinion on the effectiveness of internal control;
- The auditor evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the related disclosures in the consolidated financial statements;
- The auditor assesses the appropriateness of management's application of the going concern basis of accounting and, based on the 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 evidence available up to the date of the auditor's report, although subsequent events or conditions may cast doubt on the going concern assumption. If the auditor concludes that a material uncertainty exists, they highlight the related disclosures in the consolidated financial statements, or if the disclosures are inadequate or inappropriate, express a qualified or adverse opinion;
- The auditor evaluates the overall presentation of the consolidated financial statements and assesses whether the financial statements reflect the underlying transactions and events in a manner that provides a true and fair view;
- Regarding financial information from entities within the consolidation scope, the auditor collects sufficient and appropriate evidence to form an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and conducting the audit of the consolidated financial statements and for expressing the opinion on these statements.

Audit Committee Report

We provide the audit committee with a report that includes, among other things, the scope of the audit work, the audit plan implemented, and the conclusions of our work. We also bring to its attention, where appropriate, any significant weaknesses in internal control that we have identified regarding the procedures for preparing and processing accounting and financial information.

Among the elements communicated in the report to the audit committee are the risks of significant misstatements that we consider to have been the most important for the audit of the consolidated financial statements for the year and which therefore constitute key audit matters to be described in this report.

We also provide the audit committee with the statement required by Article 6 of Regulation (EU) No. 537/2014 confirming our independence under the applicable rules in France, including those set out in Articles L.821-27 to L.821-34 of the French Commercial Code and the ethical code for statutory auditors. Where applicable, we discuss with the audit committee any risks to our independence and the safeguards applied.

Neuilly-sur-Seine & Paris-La Défense, March 28, 2025

French original signed by

The statutory auditors

Grant Thornton

Lionel CUDEY

Partner

Deloitte & Associés

Bénédicte SABADIE

Partner

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the Management Report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

6.2 Financial statements of the parent company

6.2.1 Financial statements of the parent company SMCP SA

BALANCE SHEET ASSETS

<i>(In millions of euros)</i>				
Headings	Gross amount	Depreciation, amortisation and provisions	12/31/2024	12/31/2023
Intangible assets	0.1	0.1	-	-
Concessions, patents and similar rights	0.1	0.1	-	-
Property, plant and equipment	0.3	0.2	0.1	0.2
Other property, plant and equipment	0.3	0.2	0.1	0.2
Financial investments	1,076.6	1.9	1,074.7	1,074.4
Other equity interests	1,073.7	-	1,073.7	1,073.6
Other non-current financial assets	2.9	1.9	1.0	0.8
Fixed assets	1,077.0	2.2	1,074.8	1,074.6
Receivables	116.7		116.7	105.3
Trade and related receivables	1.7		1.7	2.9
Other receivables	115.0		115.0	102.4
Miscellaneous	0.7		0.7	2.5
Marketable securities (included in treasury shares)	0.7		0.7	2.5
Cash at hand			-	-
Accrual accounts	0.1		0.1	-
Prepaid expenses	0.1		0.1	-
Current assets	117.5	-	117.5	107.8
Conversion differences – assets			-	-
GRAND TOTAL	1,194.5	2.2	1,192.3	1,182.4

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) LIABILITIES

Headings	12/31/2024	12/31/2023
Individual or share capital (of which €83,917,383 paid)	83.9	83.9
Issue, merger and contribution premiums	949.5	949.5
Legal reserve	6.7	6.0
Retained earnings	127.3	113.3
Profit/(loss) for the financial year	12.5	14.7
Equity	1,179.9	1,167.4
Provisions for risks	-	0.2
Provisions for charges	-	0.1
Provisions	-	0.3
Liabilities	12.4	14.7
Trade and other payables	1.5	1.1
Income tax and social security liabilities	7.4	9.1
Other liabilities	3.5	4.5
Accrual accounts	-	-
Prepaid income	-	-
Liabilities	12.4	15.0
Translation adjustment (liability)	-	-
GRAND TOTAL	1,192.3	1,182.4

INCOME STATEMENT

Headings	France	Exports	12/31/2024	12/31/2023
Production sold – services	7.3	0.1	7.4	8.4
Net revenue			7.4	8.4
Reversals of impairments, provisions (and depreciation), expense transfers			0.1	-
Operating income			7.5	8.4
Other purchases and external expenses			1.3	1.3
Taxes other than on income			0.3	0.3
Wages and salaries			4.3	4.0
Social security expenses			2.6	(0.8)
Provisions for depreciation and amortisation			0.1	0.1
Other expenses			0.6	0.5
Operating expenses			9.2	5.4
Operating income			(1.7)	3.0
Income from other marketable securities and fixed asset receivables			4.7	5.2
Reversals of provisions and expense transfers			0.1	0.1
Financial income			4.8	5.3
Financial allocation for amortisation, depreciation and provisions			0.2	0.7
Interest and similar expenses			0.4	0.1
Financial expenses			0.6	0.8
Financial income (expense)			4.2	4.5
Pre-tax profit on ordinary activities			2.5	7.6
Non-recurring income			-	-
Non-recurring reversal of depreciation			0.1	-
Non-recurring income			0.1	-
Non-recurring expenses			0.2	0.3
Non-recurring amortisation, depreciation and provisions			-	0.1
Non-recurring expenses			0.2	0.4
Non-recurring income			(0.1)	(0.5)
Employee profit-sharing			0.1	-
Income tax			(10.2)	(7.5)
NET INCOME			12.5	14.7

6.2.2 Notes to the financial statements

Significant events during the financial year

There were no significant events for SMCP SA.

Accounting rules and policies

As at December 31, 2024, and before appropriation of earnings for the financial year, the balance sheet total amounts to a gross value of €1,194.5 million and a net value of €1,192.3 million. The income statement for the financial year, presented in list form, shows a profit of €12.5 million.

The financial year lasts 12 months, covering the period from January 1 to December 31, 2024. The notes or tables below are an integral part of the annual financial statements.

The general accounting principles were applied as dictated by the principle of prudence, in accordance with the following basic assumptions:

- going-concern;
- consistency of accounting policies from one period to the next;
- independence of financial years; and
- observance of the general rules governing the preparation and presentation of annual financial statements.

The Company's annual financial statements are prepared in accordance with the provisions of the French Commercial Code (Articles L. 123-12 to L. 123-28), of the ANC Regulation No. 2018-07 of December 10, 2018, amending Regulation No. 2014-03 of June 5, 2014 relating to the French general accounting plan (PCG), approved by decree on December 26, 2018.

The basic method used to evaluate accounting data is the historic cost method.

Intangible assets

Start-up costs mainly consist of fees. They are fully amortised as at December 31, 2024.

Property, plant and equipment

Property, plant and equipment are valued at their acquisition cost (purchase price and associated costs).

Depreciation and amortisation is calculated on a straight-line basis depending on the expected useful life.

Under the new rules on fixed assets (CRC 2002-10 and CRC 2004-06), the Company has not identified any significant components. In terms of useful lives, the durations applied reflect the duration of use of the good and were not modified during the financial year.

Financial investments

The gross value of capitalised securities is based on the purchase price excluding associated costs.

When the net asset value is lower than the gross value, an impairment loss is recognised for the difference.

SMCP SA entered into a liquidity agreement for an amount of €2.9 million, and an additional contribution of €0.4 million was paid during the 2024 financial year. An impairment of €1.9 million was recognised at December 31, 2024.

Equity interests, other long-term investments, short-term investments

The gross value of equity investments consists of the purchase price, including acquisition costs. When the net asset value is lower than the gross value, an impairment loss is recognised for the difference. This net asset value is determined by the discounted cash flow (DCF) approach based on the going concern assumption, reduced by net debt. These DCFs take into account the 2025 budget and the business plans established over five years for the Sandro and Maje brands, and over eight years for the Claudie Pierlot and Fursac brands, validated by the Executive Committee and approved by the Board of Directors. Depending on the brand, SMCP SA has retained a discount rate of between 10.3% and 10.9%, and a long-term growth rate of between 1.8% and 1.9%.

Share capital

The total value of the shares issued by the parent company is recognised in full within equity, as these instruments represent its share capital.

At December 31, 2024, the Company's fully subscribed and paid-up share capital amounted to €83,917,383.00 and broke down as follows:

- 75,591,187 fully-paid up ordinary shares with a nominal value of one euro and ten cents (€1.10);
- 697,343 class G preferred shares which are the preferred shares within the meaning of Articles L. 228-11 et seq. of the French Commercial Code and with a nominal value of one euro and ten cents (€1.10).

Compensation allocated to members of management bodies

The compensation of corporate officers is indicated in section 4.2 of the universal registration document.

Receivables

Receivables are valued at their nominal value. Impairment is recorded when the net asset value is lower than the book value.

Cash at hand

The Group companies use cash pooling.

At December 31, 2024, SMCP SA held 213,099 SMCP shares.

Average number of employees

Managerial-grade employees: 27.

Employees: 0.

Provisions for contingencies and charges

These recognised provisions are made to cover contingencies and charges that current or past events render probable, and which are clearly identifiable but whose timing or amount is uncertain.

TABLE OF CHANGES IN PROVISIONS FOR CONTINGENCIES AND CHARGES

(In millions of euros)	12/31/2023	Additions	Reversals for the financial year		12/31/2024
			Used	Unused	
Provision for risks	0.2		(0.1)	(0.1)	-
Provision for charges	0.1		(0.1)		-
TOTAL	0.3		(0.2)	(0.1)	-

Accrued expenses

€2.9 million in accrued expenses mainly include trade payables of €1.2 million and income tax and social security liabilities of €1.7 million.

Foreign currency transactions

The related payables, receivables and cash assets are shown in the balance sheet at their equivalent value at the closing rate of the financial year. The difference arising from the discounting of payables and receivables in foreign currencies at this closing price is recognised as translation difference, with unrealised foreign exchange losses that are not offset subject to a provision for contingencies.

Non-recurring income and expenses

Non-recurring income consists primarily of provisions for fees.

Additional information

FEES

Details about Statutory Auditors' fees are provided in the notes to the consolidated financial statements.

SOCIAL SECURITY EXPENSES

This item includes social security and pension costs for €1.6 million and expenses related to free share plans (LTIP) awarded to the founders and to certain managers for an amount of €1 million.

REVENUE

Revenue for 2024 was composed of intra-company re-billing for the provision of services and the delivery of free shares to managers of SMCP SA subsidiaries.

Revenue is presented excluding tax after any reductions, discounts or rebates awarded.

Off-balance sheet retirement commitments

Commitments relating to retirement were estimated at December 31, 2024, after taking into account a discount to present value ratio of 3.40% and a salary growth rate of 2.75-3.75%.

This amount is calculated according to the agreement-based retirement conditions, with employees' seniority calculated based on the date of their potential retirement at 65 years old. It takes into account the likelihood that the employee will leave the Company before retirement age.

The estimate of end-of-career indemnity commitments includes agreement-based indemnities that are specific to French regimes through the application of a retrospective actuarial method which takes into account mortality risk, projected wage trends, workforce turnover and a discount rate.

The end-of-career indemnity commitment totalled €68 thousand and is not recognised in the financial statements of the parent company.

Tax consolidation

SMCP SA has opted for the ordinary tax consolidation regime.

In line with the current tax consolidation agreement within the Group, each subsidiary bears an income tax charge equivalent to the amount payable in the absence of a tax group. For 2024, the Company presented a tax income of €10.1 million.

For the 2024 financial year, the tax consolidation group included the following companies:

- Sandro Andy SAS;
- Maje SAS;
- Claudie Pierlot SAS;
- SMCP Logistique SAS;
- SMCP Group SAS;
- Fursac SA.

Suite 341 SAS emerged from the tax consolidation group, having been merged into SMCP Group on January 1, 2024 (under a *transmission universelle de patrimoine – TUP*).

FREE SHARE PLANS

	Plan no. 4	Plan no. 5	Plan no. 6	Plan no. 7		Plan no. 8
Free share plans	January 2021	January 2022	January 2023	January 2024	July 2024	January 2025
Initial allocation date	01/01/2021	01/01/2022	01/01/2023	01/01/2024	07/01/2024	01/01/2025
Vesting period	2 and 3 years in two transactions	2 years by half	3 years at one time	3 years at one time	3 years at one time	3 years at one time
Availability date	03/31/2024	03/31/2025	03/31/2026	3/31/2027	7/1/2027	3/31/2028
Vesting date	03/31/2023 03/31/2024	03/31/2024 03/31/2025	03/31/2026	3/31/2027	7/1/2027	3/31/2028
Number of beneficiaries	11	10	9	10	1	11
Number initially granted	799,790	454,700	501,000	650,100	2,500	663,600
Number outstanding as of 12/31/2023	184,802	258,971	384,100			
Number cancelled over the financial year	(2,724)	(77,982)	(334,728)	(156,290)	(583)	
Number exercised over the financial year ⁽¹⁾	(182,078)	(93,074)				
Number of shares transferred ⁽²⁾				650,100	2,500	
Number surrendered over the financial year						
Number outstanding as of 12/31/2024	0	87,915	49,372	493,810	1,917	
Number that may be exercised over the financial year						
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes
Expense for the financial year (in €M)	-	(0.1)	0.3	0.5	0.0	-

(1) The number exercised over the financial year corresponds to the number of shares delivered to directors, managers and certain employees of the Group.

(2) The number of shares delivered corresponds to the number of shares awarded.

For plan no. 5, the performance conditions are based on an external condition (comparison of the performance of the SMCP share price with that of the CAC Mid and Small index between the initial allocation date and the two- and three-year anniversary of the allocation date) for 20% and an internal condition (achievement of an average of two or three years of EBIT) for 70%, and a CSR condition for 10% (achievement of an average of two or three years of CSR targets).

For plans no. 6, 7 and 8, the performance conditions are based on an external condition (comparison of the performance of the SMCP share price with that of the CAC Mid and Small index between the initial allocation date and the three-year anniversary of the allocation date) for 30% and two internal conditions (achievement of an average of three years of EBIT for 30% and an average of three years of revenue for 20%) and CSR conditions for 20% (achievement of an average of three years of CSR targets).

Plans no. 5, 6, 7 and 8 also have an employment condition on the anniversary of the allocation date, of two or three years for plan 5, and three years for plans 6, 7 and 8.

In 2023, SMCP SA had acquired SMCP shares on the market. These acquisitions led to the delivery of 474,402 shares in April 2024 and 13,800 shares in July 2024.

SMCP holds 213,099 shares as of December 31, 2024.

Subsequent significant events

As of January 1, 2025, all 697,343 class G preferred shares have been converted into ordinary shares. Consequently, 2,735,711 newly-created ordinary shares were issued and the Company's Articles of

Association were modified accordingly. The share capital now consists of 78,326,898 ordinary shares and amounts to €86,159,587.80 (see chapter 5 "Business review and outlook", paragraph 5.1.2).

Non-current assets

Gross value (in millions of euros)	Beginning of period	Revaluation	Acquisit., contributions	Capitalisation	Disposal	End of year
Intangible assets	0.2					0.2
Gen. equip., fixtures and fittings, development.	0.3					0.3
Property, plant and equipment	0.3					0.3
Other equity interests	1,073.7					1,073.7
SMCP Group treasury shares	2.5	0.4				2.9
Financial investments	1,076.2	0.4				1,076.6
TOTAL NON-CURRENT ASSETS	1,076.7	0.4				1,077.0

An impairment of €1.9 million was recognised in respect of SMCP treasury shares.

Provisions and impairments

(In €m)	Beginning of period	Additions	Reversals	End of year
Provisions for disputes	0.2		0.2	-
Other provisions for contingencies and charges	0.1		0.1	-
Provision for contingencies and charges	0.3		0.3	-
Impairment of other non-current financial asset	1.7	0.2		1.9
Impairments	1.7	0.2		1.9
GRAND TOTAL	2.0	0.2	0.3	1.9
Operating expenses and reversals			0.2	
Financial expenses and reversals		0.2		
Non-recurring expenses and reversals			0.1	

Receivables and payables

Statement of receivables <i>(in millions of euros)</i>	Gross amount	Up to 1 year	More than 1 year
Other non-current financial assets	2.9		2.9
Other trade receivables	1.6	1.6	
State, local authorities: income tax expense	0.3	0.3	
State, local authorities: value added tax	0.7	0.7	
Group and associates	114.1	114.1	
GRAND TOTAL	119.6	116.7	2.9
Loans granted during the period			

Statement of liabilities <i>(in millions of euros)</i>	Gross amount	Up to 1 year	Between 1 and 5 years	More than 5 years
Trade and other payables	1.5	1.5		
Personnel and related expenses	1.3	1.3		
Social security and other social institutions	0.5	0.5		
State: income tax expense	5.3	5.3		
State: value added tax	0.2	0.2		
State: taxes other than on income	0.1	0.1		
Other liabilities	3.5	3.5		
GRAND TOTAL	12.4	12.4		

Share capital – Changes in equity

<i>(In €m)</i>	Closing at 12/31/2023	Capital increase	Distribution of dividends	Appropriation of income	Profit (loss) for the financial year	Closing at 12/31/2024
Share capital	83.9					83.9
Share premium	133.1					133.1
Merger premium	816.4					816.4
Legal reserve	6.0			0.7		6.7
Retained earnings	113.3			14.0		127.3
Profit (loss) for the financial year	14.7			(14.7)	12.5	12.5
TOTAL	1,167.4			-	12.5	1,179.9

Shareholders	Number of ordinary shares	Number of class G preferred shares	Total number of shares	Total number of voting rights
European TopSoho S.à r.l.	6,075,848		6,075,848	12,151,696
Glas SAS (London Branch)	21,952,315		21,952,315	21,952,315
Other shareholder(s)	12,106,939		12,106,939	12,106,939
Founders & Managers	5,693,512	601,804	6,295,316	10,487,492
Free Float	29,549,474	95,539	29,645,013	29,945,988
Treasury shares	213,099		213,099	
TOTAL	75,591,187	697,343	76,288,530	86,644,430

Financial commitments given and received

None.

Breakdown of income tax

Breakdown <i>(in millions of euros)</i>	Profit/(loss) before tax	Tax due	Net income after tax
Profit on ordinary activities	2.5	(0.6)	1.9
Short-term non-recurring income	(0.1)	0.0	(0.1)
Employee profit-sharing	(0.1)	0.0	(0.1)
Corporate income tax (share of previous individual tax losses not used – tax consolidation)		10.8	10.8
ACCOUNTING NET INCOME	2.3	10.2	12.5

Subsidiaries and equity interests

<i>(In millions of euros)</i>	Share capital	Equity	Share of capital owned	Gross value securities	Net value securities	Loans, advances, guarantees	Revenue	Net income
Subsidiaries (more than 50%)								
SMCP Group SAS	107.4	865.2	100%	1,073.6	1,073.6	N/A	59.5	(55.3)
Equity interests (10 to 50%)			None					
Other equity interests			None					

6.2.3 Auditors' report on the annual financial statements

Auditors' report on the annual financial statements

Year ends on December 31, 2024.

To the Shareholders of SMCP,

Opinion

In the performance of the task entrusted to us by your General Meeting, we have audited the annual financial statements of the SMCP company for the fiscal year ending on December 31, 2024, as presented in this report.

We certify that the annual financial statements, in accordance with French accounting rules and principles, are regular and sincere, and provide a true and fair view of the results of the operations for the past year, as well as the financial position and assets of the company at the end of this fiscal year.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with the professional standards applicable in France. We believe that the evidence we have obtained is sufficient and appropriate to support our opinion.

The responsibilities we have in accordance with these standards are outlined in the section "Responsibilities of the Statutory Auditors regarding the Audit of the Annual Financial Statements" of this report.

Independence

We carried out our audit in compliance with the independence rules set forth by the French Commercial Code and the Code of Ethics for statutory auditors, from January 1, 2024, to the date of issuance of our report. Specifically, we have not provided any services prohibited by Article 5, Paragraph 1 of Regulation (EU) No. 537/2014.

Furthermore, the non-audit services we provided during the fiscal year to your company and its controlled entities, which are not mentioned in the management report or the notes to the consolidated financial statements, include:

- Issuance of certifications on data derived from the accounts (such as annual net sales per point of sale, financial ratios – covenants).

Justification of Assessments - Key Audit Matters

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code regarding the justification of our assessments, we bring to your attention the key audit matters related to the risks of material misstatements that, in our professional judgment, were most significant in our audit of the company's annual financial statements for the year, as well as the responses we have provided to address these risks.

These assessments are made in the context of the overall audit of the annual financial statements and the formation of our opinion expressed above. We do not express an opinion on individual elements of these annual financial statements taken in isolation.

Assessment of the Recoverable Value of the Shares in the SMCP Group SAS Subsidiary

Identified Risk

As of December 31, 2024, the net book value of the shares in the SMCP Group S.A.S. subsidiary amounted to €1,073.6 million, representing more than 90% of the total balance sheet. The shares are accounted for at their acquisition cost and are assessed at their recoverable amount.

As indicated in the note "Accounting Policies - Equity Interests, Other Non-Current Investments, and Marketable Securities" in the annex, if the recoverable value is lower than the gross carrying amount, an impairment is recognized equal to the difference observed.

The recoverable amount of the shares is determined using a discounted cash flow (DCF) approach based on the 2025 budget and the business plan, validated by the executive committee and approved by the board of directors.

Due to the significant net book value of these shares and the uncertainties, particularly regarding the likelihood of achieving the forecasted future cash flows used in the recoverable value assessment, we considered the evaluation of the recoverable value of the shares in SMCP Group S.A.S. to be a key audit matter.

Our Response

To assess the estimated recoverable value of the shares in SMCP Group S.A.S. determined by management, our procedures included:

- Assessing the relevance of the methodology used to determine the recoverable value;
- Assessing the consistency of the cash flow projections with the approved 2025 budget and business plan;
- Verifying the consistency of the assumptions with the economic environment and our understanding of the Group's outlook and strategic directions;
- Assessing the reasonableness of the financial parameters used (including discount rate and perpetual growth rate) with the help of our specialists in financial valuation and by relying on expert valuations;
- Comparing prior-year projections with actual results to evaluate the accuracy of past forecasts.

Finally, we verified that the note "Accounting Policies - Equity Interests, Other Non-Current Investments, and Marketable Securities" in the annex to the annual financial statements provides appropriate information.

Specific Verifications

In accordance with applicable professional standards in France, we also conducted the specific verifications required by legal and regulatory texts.

Information in the Management Report and Other Documents on Financial Position and Annual Financial Statements Sent to Shareholders

We have no observations to make regarding the sincerity and consistency with the annual financial statements of the information provided in the board of directors' management report and other documents on the financial position and annual financial statements sent to shareholders.

We confirm the sincerity and consistency with the annual financial statements of the information related to payment terms as specified in Article D.441-6 of the French Commercial Code.

Report on Corporate Governance

We confirm that the required information under Articles L.225-37-4, L.22-10-10, and L.22-10-9 of the French Commercial Code is included in the corporate governance report.

Regarding the information provided in accordance with Article L.22-10-9 of the French Commercial Code concerning the remuneration and benefits paid or granted to corporate officers, as well as the commitments made on their behalf, we have verified its consistency with the financial statements or with the data used to prepare those statements and, where applicable, with the information collected by your company from its subsidiaries included in the consolidation scope. Based on our work, we confirm the accuracy and sincerity of this information.

Regarding the information related to elements your company has deemed likely to have an impact in the event of a public tender offer, provided under Article L.22-10-11 of the French Commercial Code, we have verified its compliance with the documents from which it is derived and which were provided to us. Based on our work, we have no observations on these disclosures.

Other Information

As required by law, we have ensured that information regarding the identity of capital holders or voting rights has been communicated to you in the management report.

Other Verifications or Information Required by Legal and Regulatory Texts

Presentation Format of the Annual Financial Statements to Be Included in the Annual Financial Report

In accordance with the professional standards relating to the statutory auditor's responsibilities for annual and consolidated financial statements presented in the European single electronic reporting format, we have verified the compliance with this format as defined by European Delegated Regulation No. 2019/815 of December 17, 2018, for the presentation of the annual financial statements to be included in the annual financial report referred to in Article L.451-1-2 of the French Monetary and Financial Code, under the responsibility of the CEO.

Based on our work, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to verify that the annual financial statements actually included by your company in the annual financial report filed with the AMF correspond to the ones on which we have carried out our work.

Appointment of Statutory Auditors

We were appointed statutory auditors of SMCP by your General Meeting of September 25, 2017, for the Deloitte & Associés firm and June 9, 2022, for the Grant Thornton firm.

As of December 31, 2024, Deloitte & Associés was in the eighth year of its uninterrupted mandate, and Grant Thornton was in the third year of its mandate.

Management and Corporate Governance Responsibilities for the Annual Financial Statements

It is the responsibility of Management to prepare annual financial statements that give a true and fair view in accordance with French accounting rules, as well as to implement the internal controls deemed necessary to ensure the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual financial statements, Management is responsible for assessing the company's ability to continue as a going concern, for presenting in the financial statements, when applicable, the necessary disclosures related to going concern, and for applying the going concern convention unless liquidation or cessation of operations is imminent.

It is the responsibility of the Audit Committee to oversee the process of preparing financial information and to monitor the effectiveness of internal control and risk management systems, including, when applicable, internal audit, concerning the procedures related to the preparation and processing of accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Annual Financial Statements

Audit Objective and Approach

It is our responsibility to issue a report on the annual financial statements. Our goal is to obtain reasonable assurance that the annual financial statements, taken as a whole, are free from material misstatement. Reasonable assurance is a high level of assurance, but it does not 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 when, 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 certification of the financial statements does not consist of guaranteeing the company's viability or the quality of its management.

During an audit conducted in accordance with applicable professional standards in France, the statutory auditor exercises professional judgment throughout the audit. In addition:

- The auditor identifies and assesses the risks that the annual financial statements may contain material misstatements, whether due to fraud or error, defines and implements audit procedures in response to those risks, and gathers sufficient and appropriate evidence to support the opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, deliberate omissions, false statements, or circumventing internal controls.
- The auditor considers relevant internal controls for the audit to define appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of internal controls;
- The auditor assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related disclosures in the financial statements;
- The auditor assesses the appropriateness of management's application of the going concern convention and, based on the evidence collected, the existence or absence of significant uncertainty related to events or conditions that may cast doubt on the company's ability to continue as a going concern. This assessment is based on the evidence collected up to the date of the report, but it is noted that subsequent events or conditions may affect the going concern assumption.

If the auditor concludes that significant uncertainty exists, the auditor draws attention to the disclosures in the financial statements related to this uncertainty or, if such disclosures are not provided or are inadequate, expresses a qualified opinion or a disclaimer of opinion;

- The auditor evaluates the overall presentation of the financial statements and assesses whether the financial statements reflect underlying transactions and events in a way that gives a true and fair view.

Report to the Audit Committee

We provide the Audit Committee with a report that includes the scope of our audit work, the audit plan implemented, and the conclusions from our work. We also bring to its attention, where applicable, any significant weaknesses in internal controls identified concerning procedures related to the preparation and processing of accounting and financial information.

Among the elements included in the report to the Audit Committee are the risks of material misstatements that we consider to be the most significant for the audit of the annual financial statements for the year, and therefore constitute the key audit matters we describe in this report.

Neuilly-sur-Seine & Paris-La Défense, March 28, 2025

French original signed by

The statutory auditors

Grant Thornton

Lionel CUDEY

Partner

Deloitte & Associés

Bénédicte SABADIE

Partner

This is a free translation into English of the Statutory Auditors' report on the parent company financial statements of the Company, issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the Management Report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

6.2.4 Table of results over the last five financial years

	2020 financial year	2021 financial year	2022 financial year	2023 financial year	2024 financial year
1. Closing share capital					
Share capital (€)	82,687,319	83,267,404	83,871,608.70	83,917,383.00	83,917,383.00
Number of shares	75,170,290	75,697,640	76,246,917	76,288,530	76,288,530
• ordinary	74,117,760	74,798,149	75,535,338	75,591,187	75,591,187
• class G preferred	1,052,530	899,491	711,579	697,343	697,343
2. Operations and profit or loss for the financial year (€M)					
Revenue excluding tax	8.8	16.1	16.0	8.4	7.4
Profit/(loss) before tax, employee profit-sharing, depreciation, amortisation and provisions	7.8	10.6	7.2	7.9	2.2
Income tax	0.2	11.0	6.8	7.5	10.2
Employee profit-sharing due in the financial year	0.0	(0.2)	(0.3)	0.0	(0.1)
Profit/(loss) after tax, employee profit-sharing, depreciation, amortisation and provisions	10.1	23.8	14.0	14.7	12.5
Distributed profits	-	-	-		
3. Earnings per share (€m)					
Profit/(loss) after tax, employee profit-sharing, but before depreciation, amortisation and provisions	0.11	0.28	0.18	0.19	0.16
Profit/(loss) after tax, employee profit-sharing, depreciation, amortisation and provisions	0.13	0.31	0.18	0.19	0.16
Dividend paid per share	-	-	-		
4. Personnel					
Average workforce during the year	28	24	21	26	27
Annual payroll (€M)	5.3	5.5	4.8	4.0	4.3
Amount of social security payments and fringe benefits (€M)	1.7	2.0	12.6	(0.8)	2.6

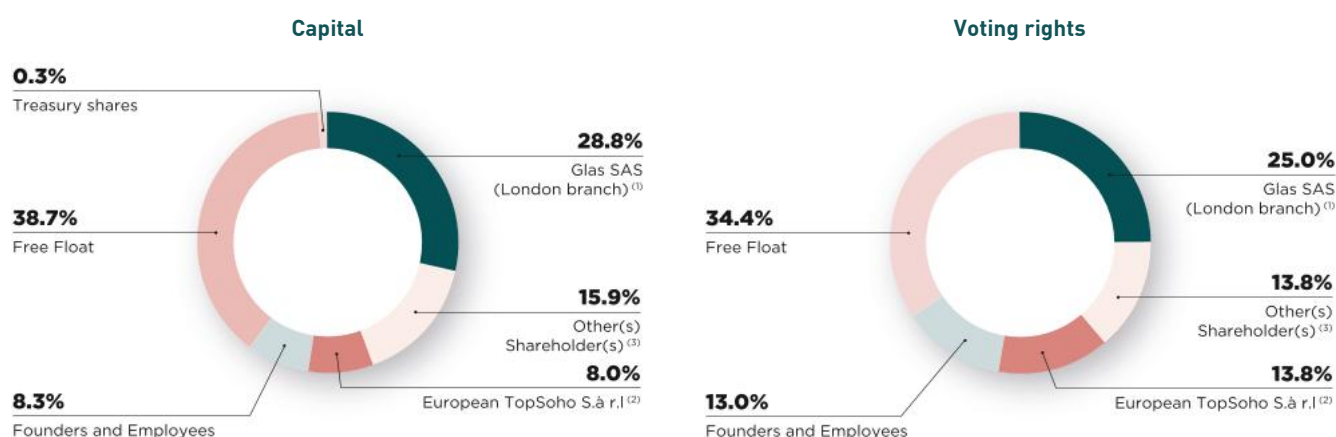


Share capital and shareholding structure

7.1	Shareholding structure	330		
7.1.1	Breakdown of share capital and voting rights	330		
7.1.2	Change in shareholding structure	331		
7.1.3	Threshold crossing	332		
7.1.4	Changes in the distribution of share capital and voting rights over the last three financial years	333		
7.1.5	Profit-sharing agreements and incentive schemes	334		
7.1.6	Employee shareholding structure	334		
7.1.7	Equity interest and stock options held by members of the Board of Directors and General Management	336		
7.2	Dividends	337		
7.3	General Meeting and voting rights	337		
7.3.1	Procedures for shareholders to attend General Meetings	337		
7.4	Elements likely to have an impact in the event of a public offering	338		
7.4.1	Structure of the Company's capital	338		
7.4.2	Restrictions defined by the Articles of Association on the exercise of voting rights and stock transfers, or clauses of agreements of which the Company has been informed pursuant to Article L. 233-11 of the French Commercial Code	338		
7.4.3	Direct or indirect equity interests in the Company's share capital of which it has been informed pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code	338		
7.4.4	List of persons holding any security with special control rights and a description of those rights or control mechanisms stipulated in a potential employee shareholding structure, when the control rights are not exercised by employees	338		
7.4.5	Shareholders agreements of which the Company is aware and which could result in restrictions on the transfer of shares and the exercise of voting rights	339		
7.4.6	Powers of the Board of Directors for capital increase and share buyback	339		
7.4.7	Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company	340		
7.4.8	Agreements stipulating indemnities for members of the Board of Directors or employees if they resign or are dismissed without real and serious cause, or if their employment ends because of a public offering	340		
7.4.9	Summary of the transactions mentioned in Article L. 621-18-2 of the French Monetary and Financial Code carried out during the 2024 financial year	340		
7.5	Information on share capital	341		
7.5.1	Share capital subscribed and share capital authorised but not issued	341		
7.5.2	Financial instruments not representing capital	345		
7.5.3	Shares held by the Company or on its behalf	346		
7.5.4	Other securities giving access to share capital	346		
7.5.5	Change in the Company's capital over the last three financial years	346		

7.1 Shareholding structure

7.1.1 Breakdown of share capital and voting rights



SHAREHOLDING STRUCTURE

The following table shows the shareholding structure of the Company as of December 31, 2024:

Shareholders	Number of ordinary shares	Number of class G preferred shares ⁽⁴⁾	Total number of voting rights	% of share capital	% of voting rights
Free Float	29,549,474	95,539	30,306,128	38.7%	34.4%
Glas SAS (London branch) ⁽¹⁾	21,952,315		21,952,315	28.8%	25.0%
European TopSoho S.à r.l. ⁽²⁾	6,075,848		12,151,696	8.0%	13.8%
Founders and employees	5,693,512	601,804	11,382,733	8.3%	13.0%
Treasury shares	213,099			0.3%	0.0%
Other shareholder(s) ⁽³⁾	12,106,939		12,106,939	15.9%	13.8%
TOTAL	75,591,187	697,343	87,899,811	100%	100%

(1) As Trustee of exchangeable bonds issued in 2018 by European TopSoho S.à r.l. (the "Bonds"), having taken possession of 21,952,315 SMCP shares pledged under the Bonds following the default of European TopSoho S.à r.l.

(2) Entity placed in insolvency proceedings on February 28, 2023 by the Luxembourg Court of Appeal, on which date a trustee (curateur) was appointed. 51.8% is indirectly held by Shandong Ruyi Technology Group and 48.2% by Yinchuan WeiXin Industry Funds Ltd Partnership (the latter is indirectly majority held by public investment funds in the People's Republic of China).

(3) Shares sold by European TopSoho S.à r.l. (ETS) in 2021 that have since been subject to a freezing order against ETS and Dynamic Treasure Group Ltd., the initial transferee, prohibiting any further transfer of these shares.

(4) Class G preferred shares were automatically converted into ordinary shares on January 1, 2025. Their terms and conditions are detailed in paragraph 7.1.6 of the universal registration document.

7.1.2 Change in shareholding structure

The composition of the Company's shareholding structure underwent significant changes during the end of the 2021 financial year, marked in particular by the temporary possession by GLAS SAS (London branch) ("GLAS"), as Trustee of exchangeable bonds totalling €250 million issued in 2018 by European TopSoho S.à r.l. ("ETS"), a subsidiary majority-owned by Shandong Ruyi, of 21,952,315 SMCP shares, corresponding to a portion of the SMCP shares pledged under these bonds (it being specified that all the pledged shares represent, on the date of this universal registration document, approximately 35.8% of the share capital), following ETS's default in respect of these bonds. GLAS therefore holds 28.0% of the Company's share capital (i.e. 24.4% of the voting rights).

Of the 18,182,787 SMCP shares that it still held, ETS sold 12,106,939 SMCP shares on October 27, 2021 (the "Stake"), representing 15.5% of the Company's share capital (or 13.5% of the voting rights) on the date of this universal registration document. GLAS indicated in a communication dated December 8, 2021 that it had obtained a freezing order in Singapore against ETS and the British Virgin Islands company Dynamic Treasure Group Ltd ("DTG"), the initial transferee, prohibiting any new transfer of this Stake. In addition, GLAS has taken legal action before the competent English courts to have the sale of this Stake cancelled, which it considers to be illegal and fraudulent. On July 12, 2024, the English High Court declared the sale of this Stake invalid and ordered its return by July 26, 2024 (the "Transfer Order"), which DTG did not comply with. The London Court of Appeal rejected DTG's appeals against this ruling, which is no longer eligible for appeal. Given that DTG did not execute the Transfer Order, GLAS requested the forced return of the Stake to ETS in October 2024 from the courts in Singapore, where the corresponding Stake is held. As of the date of this universal registration document, this request is still being investigated by the Singapore courts. In addition, on December 3, 2024, the Singaporean court rejected applications by Wuhu Ruyi Xinbo Investment Partnership ("Xinbo"), a company related to Shandong Ruyi, claiming to hold a claim to this Stake. Xinbo has appealed this ruling.

ETS still holds 6,075,848 SMCP shares, which are pledged as exchangeable bonds, representing 7.8% of the Company's share capital (i.e. 13.5% of the voting rights). ETS was placed in insolvency proceedings on February 28, 2023 by the Luxembourg Court of Appeal and a trustee (*curateur*) was appointed.

In its threshold crossing declarations dated October 29, 2021 and November 10, 2021, GLAS indicated that it had appointed a receiver (a professional representative under English law) responsible for selling all the pledged shares to a third party, ideally by block and with the non-pledged shares, in which case said third party would be required to file a draft mandatory public offer for all of the Company's shares. GLAS also indicated, in the aforementioned threshold crossing declaration of October 29, 2021, that as long as an agreement has not been reached with a buyer, ETS remains entitled to repay the sums due in respect of the exchangeable bonds, which would entail an interruption in the process of enforcement of the collateral and therefore a recovery by ETS of the underlying shares of the Company. If the process of enforcement of the collateral is interrupted as mentioned above, the composition of the shareholding structure, and if necessary the Company's governance, could change significantly.

On March 1, 2023, a press release was issued by Alastair Beveridge and Daniel Imison of AlixPartners UK LLP, acting as receivers, announcing the launch, on behalf of the bondholders and GLAS, of a process to sell the pledged stake that represented then approximately 37% of the share capital held by ETS and GLAS. This press release indicated that at this initial stage of the sale process, the timetable for such a sale, its conclusion or not, the identity of any buyer(s) and whether all or part of the pledged shares could be sold to one or more buyers were uncertain and it was therefore not yet possible to assess whether or not the transaction would trigger a subsequent mandatory takeover bid.

STATEMENT ON THE CONTROL OF THE COMPANY

Following the temporary possession, at the end of 2021, by Glas SAS (London Branch), in its capacity as Trustee of exchangeable bonds totalling €250 million issued in 2018 by European TopSoho S.à r.l., a subsidiary of the Shandong Ruyi group, of 21,952,315 SMCP shares, corresponding to a portion of the SMCP shares pledged under these bonds, following a default by European TopSoho S.à r.l. in respect of these bonds, SMCP no longer has a controlling shareholder.

7.1.3 Threshold crossing

For as long as the Company's shares are admitted to trading on a regulated market, besides the declarations on threshold crossing expressly provided for by the laws and regulations in force, any natural or legal persons finding themselves, directly or indirectly, alone or jointly, in possession of a portion of the capital or voting rights (calculated in accordance with the provisions of Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of the general regulations of the French Financial Markets Authority (AMF), equal to or greater than 1% of the capital or voting rights, or any multiple thereof, including beyond the thresholds set by the legal and regulatory framework, must inform the Company of the total number (i) of shares and voting rights they own, directly or indirectly, alone or jointly; (ii) of the securities granting future access to the Company capital that they own, directly or indirectly, alone or jointly, and the voting rights potentially attached thereto; and (iii) of the shares already issued which those persons may acquire under an agreement or a financial instrument mentioned in Article L. 211-1 of the French Monetary and Financial Code. Such notification must be given, by registered letter with acknowledgment of receipt, within a period of four business days of the threshold crossing in question.

The obligation to inform the Company also applies, within the same periods and under the same conditions, when the shareholder's interest in the capital, or voting rights, falls below one of the aforesaid thresholds.

In the event of failure to comply with the obligation to make the aforementioned declaration of threshold crossing and at the request, recorded in the minutes of the General Meeting, of one or more shareholders representing at least 5% of the Company's share capital or voting rights, those shares exceeding the portion that should have been declared will be deprived of voting rights up until the expiry of a period of two years following the date on which the situation with regard to notification was rectified.

The Company reserves the right to inform the public and the shareholders either of the information notified to it or of failure to meet the aforesaid obligation by the person concerned.

On January 7, 2022, the Company was informed of the threshold crossing declaration published with the French Financial Markets Authority (AMF) by European TopSoho S.à r.l. ("ETS") declaring, as an adjustment, that it had fallen below the thresholds of 2/3 of the voting rights and 50% of the Company's share capital on October 27, 2021 and, on that date, that it held 28,028,163 SMCP shares representing 56,056,326 voting rights, i.e. 37.03% of the Company's share capital and 51.79% of the Company's voting rights. ETS specified in this statement that the threshold crossing was the result of an off-market sale of 12,106,939 SMCP shares to Dynamic Treasure Group Ltd. entered into in fulfilment of a commitment made by ETS. In the same declaration, ETS also declared, as an adjustment, that it had fallen below the thresholds of 50% of the voting rights, 1/3, 30%, 25%, 20%, 15% of the share capital and voting rights, and 10% of the Company's share capital on October 28, 2021 and, at that date, held 6,075,84 SMCP shares representing 12,151,696 voting rights, i.e. 8.03% of the Company's share capital and 14.08% of the voting rights. ETS specified in this declaration that this threshold crossing resulted from the appropriation of 21,952,315 SMCP shares by Glas SAS (London Branch) on October 28, 2021, in its capacity as Trustee under the terms of the Bonds.

Dynamic Treasure Group Ltd. did not make a threshold crossing declaration (statutory or legal) to the Company or to the French Financial Markets Authority (AMF) in connection with the acquisition of the 12,106,939 SMCP shares. As a result, the General Meeting committee of June 9, 2022, at the request of one of the shareholders of the Company representing at least 5% of the share capital, unanimously decided to cancel the voting rights attached to the shares of this shareholder exceeding the statutory threshold of 1% of the undeclared voting rights of SMCP, and, in accordance with the provisions of Article 15 of the Company's Articles of Association and Article L. 233-7 of the French Commercial Code, to cap the voting rights of this shareholder at 756,976, until the expiry of a period of two years following the date on which the situation with regard to notification is rectified.

As of the date of this universal registration document, the Company had not been notified of any threshold crossing as stipulated by the legal provisions since the end of the 2024 financial year.

7.1.4 Changes in the distribution of share capital and voting rights over the last three financial years

Change in the distribution of the Company's share capital over the last three financial years:

Shareholders	2022			2023			2024		
	Number of ordinary shares	Number of class G preferred shares ⁽⁴⁾	Total number of shares	Number of ordinary shares	Number of class G preferred shares ⁽⁴⁾	Total number of shares	Number of ordinary shares	Number of class G preferred shares ⁽⁴⁾	Total number of shares
Free Float	29,172,984	88,913	29,261,897	29,439,655	90,085	29,529,740	29,549,474	95,539	29,645,013
Glas SAS (London branch) ⁽¹⁾	21,952,315	0	21,952,315	21,952,315	0	21,952,315	21,952,315	0	21,952,315
European TopSoho S.à r.l. ⁽²⁾	6,075,848	0	6,075,848	6,075,848	0	6,075,848	6,075,848	0	6,075,848
Founders and employees	5,259,444	622,666	5,882,110	5,316,129	607,258	5,923,387	5,693,512	601,804	6,295,316
Treasury shares	967,808	0	967,808	700,301	0	700,301	213,099	0	213,099
Other shareholder(s) ⁽³⁾	12,106,939	0	12,106,939	12,106,939	0	12,106,939	12,106,939	0	12,106,939
TOTAL	75,535,338	711,579	76,246,917	75,591,187	697,343	76,288,530	75,591,187	697,343	76,288,530

(1) As Trustee of exchangeable bonds issued in 2018 by European TopSoho S.à r.l. (the "Bonds"), having taken possession of 21,952,315 SMCP shares pledged under the Bonds following the default of European TopSoho S.à r.l.

(2) Entity placed in insolvency proceedings on February 28, 2023 by the Luxembourg Court of Appeal, on which date a trustee (*curateur*) was appointed. 51.8% is indirectly held by Shandong Ruyi Technology Group and 48.2% by Yinchuan WeiXin Industry Funds Ltd Partnership (the latter is indirectly majority held by public investment funds in the People's Republic of China).

(3) Shares sold by European TopSoho S.à r.l. (ETS) in 2021 that have since been subject to a freezing order against ETS and Dynamic Treasure Group Ltd., the initial transferee, prohibiting any further transfer of these shares.

(4) Class G preferred shares were automatically converted into ordinary shares on January 1, 2025. Their terms and conditions are detailed in paragraph 7.1.6 of this universal registration document.

Change in distribution of the Company's voting rights over the last three financial years:

Shareholders	2022		2023		2024	
	Total number of voting rights	% of voting rights	Total number of voting rights	% of voting rights	Total number of voting rights	% of voting rights
Free Float	30,203,756	35.1%	29,945,988	34.6%	30,306,128	34.4%
Glas SAS (London branch) ⁽¹⁾	21,952,315	25.5%	21,952,315	25.3%	21,952,315	25.0%
European TopSoho S.à r.l. ⁽²⁾	12,151,696	14.1%	12,151,696	14.0%	12,151,696	13.8%
Founder and employees	9,539,248	11.1%	10,487,492	12.1%	11,382,733	13.0%
Other shareholder(s) ⁽³⁾	12,106,939	14.1%	12,106,939	14.0%	12,106,939	13.8%
TOTAL	85,953,954	100%	86,644,430	100%	87,899,811	100%

(1) As Trustee of exchangeable bonds issued in 2018 by European TopSoho S.à r.l. (the "Bonds"), having taken possession of 21,952,315 SMCP shares pledged under the Bonds following the default of European TopSoho S.à r.l.

(2) Entity placed in bankruptcy proceedings on February 28, 2023 by the Luxembourg Court of Appeal, at which date a trustee (*curateur*) was appointed. 51.8% is indirectly held by Shandong Ruyi Technology Group and 48.2% by Yinchuan WeiXin Industry Funds Ltd Partnership (the latter is indirectly majority held by public investment funds in the People's Republic of China).

(3) Shares sold by European TopSoho S.à r.l. ("ETS") in 2021 and since then subject to a freezing order against ETS and Dynamic Treasure Group Ltd. ("DTG"), the initial transferee, prohibiting any new transfer of these shares. Due to the absence of a threshold crossing declaration (statutory or legal) by the purchaser to the Company or the French Financial Markets Authority (AMF), the voting rights attached to any SMCP shares held by DTG exceeding the statutory threshold of 1%, are capped at 756,976 voting rights, until the expiry of a period of two years following the date on which the situation with regard to notification is rectified.

7.1.5 Profit-sharing agreements and incentive schemes

PROFIT-SHARING AGREEMENTS

In France, the employees of Group companies belonging to the SMCP Economic and Social Unit (UES) (SMCP SA, SMCP Group SAS, Sandro Andy SAS, Maje SAS, Claudie Pierlot SAS and SMCP Logistique SAS) are entitled to profit sharing under a collective agreement entered into on September 1, 2012. Under this agreement, the special reserve for profit sharing is indexed to the earnings of the companies included in the scope of the agreement in the form of deferred financial profit-sharing entitlements calculated on the basis of the relevant companies' net profit. To be entitled to distribution of the special reserve, employees must be able to demonstrate at least three months' service in one or more companies that are signatories to the agreement. The special profit-sharing reserve is calculated pursuant to applicable legal provisions (Article L. 3324-1 of the Labour Code) and the amounts are distributed in proportion to the gross salary received in the reference year.

In 2024, the amount was approximately 0.65 months of gross salary for an employee present all year round.

At Fursac, employees benefit from profit sharing under a collective agreement signed in 2002. The special profit-sharing reserve is calculated pursuant to applicable legal provisions (Article L. 3324-1 of the Labour Code) and the amounts are distributed in proportion to the gross salary received in the reference year. For 2024, the amount of the special profit-sharing reserve was nil.

INCENTIVE SCHEMES

Since 2022, in France, the employees of Group companies belonging to the SMCP Economic and Social Unit (UES) (SMCP SA, SMCP Group SAS, Sandro Andy SAS, Maje SAS, Claudie Pierlot SAS and SMCP Logistique SAS) are entitled to an incentive scheme for 2022-2025. The eligibility conditions are the same as those for profit-sharing.

Incentives are calculated based on collective CSR targets, a collective employee and human resources target, and a target linked to French sales performance.

In 2024, the amount was approximately 0.3 months of gross salary for an employee present all year round.

COMPANY SAVINGS SCHEMES AND SIMILAR PLANS

The Group has a company savings scheme with five funds of different types offering varying degrees of risk and performance outlook (monetary, bonds, shares etc.). Fursac has a company savings scheme which can receive payments of the amounts received under the profit-sharing plan.

7.1.6 Employee shareholding structure

Certain executives and employees of the Group are shareholders of the Company [see paragraph 7.1.1 of this universal registration document].

CLASS G PREFERRED SHARES

Between 2016 and 2017, as part of the acquisition of the Group by Shandong Ruyi, the Group granted, on an exceptional basis, 14,224,075 class G preferred shares ("G PS") to certain Group executives (including Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite). In June 2018, a reverse split of the G PS was completed, under which 11 old G PS, each with a nominal value of €0.10, were exchanged for one new G PS, with a nominal value of €1.10. At the end of this reverse split, the total number of G PS was 1,293,098 with a nominal value of €1.10. These G PS were convertible into 5,072,873 ordinary shares on January 1 of each year from January 1, 2019 and until January 1, 2025, date on which the unconverted G PS were automatically converted into ordinary shares. Between January 1, 2019, and December 31, 2024, 595,755 G PS were converted into ordinary shares and 2,337,162 new ordinary shares were issued. On January 1, 2025, the remaining 697,343 G PS

held were automatically converted into 2,735,711 ordinary shares. As of the date of this universal registration document, there are no remaining G PS.

The G PS were in mandatory registered form. As for ordinary shares, the voting rights attached to the G PS were proportional to the percentage of share capital that they represent, and each G PS gave the right to at least one vote. A double voting right is introduced for G PS that have been held continuously by the same holder for a minimum period of at least two years. Holders of G PS did not benefit from any financial rights until they had been converted into ordinary shares. The new ordinary shares issued on conversion of the class G preferred shares will carry the same rights as existing ordinary shares of the same class after the payment, where applicable, of a dividend in respect of the previous financial year. For each converted G PS that had a double voting right, one of the newly issued ordinary shares corresponding to this converted G PS was granted a double voting right, with the other newly issued ordinary shares not having such voting rights until they have been held continuously by the same holder for a minimum period of at least two years after the conversion.

FREE SHARES

Meeting on December 17, 2020, the Board of Directors, on the basis of the authority granted by the General Meeting of June 4, 2020 (Plan no. 4), established a free performance share plan solely for the benefit of corporate officers and staff members of the Company and its subsidiaries (the "January 2021 Plan"). In this context, the Company decided to award 1,437,494 free performance shares to certain executive corporate officers and employees of the Group. The vesting date for the last half of these free performance shares was March 31, 2024.

Meeting on April 28, 2021, the Board of Directors, on the basis of the authority granted by the General Meeting of June 4, 2020 (Plan no. 4), established a free performance share plan solely for the benefit of certain staff members of the Company and its subsidiaries (the "July 2021 Plan"). In this context, the Company decided to award 61,289 free performance shares to certain Group employees. The vesting date for the last half of these free performance shares was September 30, 2024.

The Board of Directors' meeting of December 14, 2021, on the basis of the authority granted by the General Meeting held on June 17, 2021 (Plan no. 5), set up a free performance share plan for corporate officers and employees of the Company and its subsidiaries (the "January 2022 Plan"). In this context, the Company decided to award 987,600 free performance shares to certain executive corporate officers and employees of the Group. The vesting date for the last half of these free performance shares is March 31, 2025.

Meeting on March 9, 2022, the Board of Directors, on the basis of the authority granted by the General Meeting of June 17, 2021 (Plan no. 5), established a free performance share award plan solely for the benefit of certain staff members of the Company and its subsidiaries (the "July 2022 Plan"). In this context, the Company decided to award 28,780 free performance shares to certain Group employees. The vesting date of the last half of these free performance shares is July 1, 2025.

The Board of Directors' meeting of December 7, 2022, on the basis of the authority granted by the General Meeting held on June 17, 2021 (Plan no. 6), set up a free performance share plan for corporate

officers and employees of the Company and its subsidiaries (the "January 2023 Plan"). In this context, the Company decided to award 1,139,380 free performance shares to certain executive corporate officers and employees of the Group. The vesting date for these free performance shares is March 31, 2026.

Meeting on March 23, 2023, the Board of Directors, on the basis of the authority granted by the General Meeting of June 17, 2021 (Plan no. 6), established a free performance share award plan solely for the benefit of certain staff members of the Company and its subsidiaries (the "July 2023 Plan"). In this context, the Company decided to award 22,510 free performance shares to certain Group employees. The vesting date for the last half of these free performance shares is July 1, 2026.

The Board of Directors' meeting of December 12, 2023, (Plan no. 7), on the basis of the authority granted by the General Meeting held on June 21, 2023, set up a free performance share plan for corporate officers and employees of the Company and its subsidiaries (the "January 2024 Plan"). In this context, the Company decided to award 1,475,600 free performance shares to certain executive corporate officers and employees of the Group. The vesting date for these free performance shares is March 31, 2027.

Meeting on March 21, 2024, the Board of Directors, on the basis of the authority granted by the General Meeting of June 21, 2023 (Plan no. 7), established a free performance share award plan solely for the benefit of certain staff members of the Company and its subsidiaries (the "July 2024 Plan"). In this context, the Company decided to award 49,300 free performance shares to certain Group employees. The vesting date for the last half of these free performance shares is July 1, 2027.

The Board of Directors' meeting of December 11, 2024, (Plan no. 8), on the basis of the authority granted by the General Meeting held on June 6, 2024, set up a free performance share plan for corporate officers and employees of the Company and its subsidiaries (the "January 2025 Plan"). In this context, the Company decided to award 1,475,900 free performance shares to certain executive corporate officers and employees of the Group. The vesting date for these free performance shares is March 31, 2028.

7.1.7 Equity interest and stock options held by members of the Board of Directors and General Management

INTERESTS OF THE MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

Ms. Isabelle Guichot is Chief Executive Officer and a director of the Company. She is also a shareholder of the Company.

Ms. Évelyne Chétrite, director and Deputy General Manager of the Company, Ms. Judith Milgrom, director and Deputy General Manager of the Company, and Mr. Ilan Chétrite, observer and Deputy General Manager of the Company, are direct shareholders of the Company and indirect shareholders of the Company through the intermediary of, respectively, the companies Sivan, Judor and Talia.

None of the members of the General Management sold Company shares during the 2024 financial year.

The number of Company shares held by directors (other than directors representing employees) and by the observer at December 31, 2024 is detailed below:

Director	Number of Company shares held
Christophe Cuvillier	8,000
Isabelle Guichot	153,240
Évelyne Chétrite/Sivan	2,083,628
Judith Milgrom/Judor	1,948,582
Ilan Chétrite/Talia	737,280
Orla Noonan	3,200
Christophe Chenut	1,000
Natalia Nikolaidi	100
Xavier Véret	100
Atalay Atasü	1,000

OPTIONS FOR SUBSCRIPTION OR PURCHASE OF SHARES AND FREE AWARD OF SHARES

Between 2016 and 2017, the Group awarded 14,224,075 class G preferred shares to certain senior executives of the Group (including Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite). Their terms and conditions are detailed in paragraph 7.1.6 of this universal registration document. In June 2018, a reverse split of the G PS was completed, under which 11 old G PS, each with a nominal value of €0.10, were exchanged for one new G PS, with a nominal

value of €1.10. At the end of this reverse split, the total number of G PS was 1,293,098 with a nominal value of €1.10. These G PS were able to be converted into 5,072,873 ordinary shares on January 1 of each year, from January 1, 2019 until January 1, 2025, the date on which the unconverted G PS were automatically converted into ordinary shares. As of the date of this universal registration document, there are no remaining G PS.

On November 23, 2017, the Company decided to award 2,038,324 free performance shares to certain corporate officers (including Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

On December 5, 2019, the Company decided to award 870,460 free performance shares to certain corporate officers (including Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

On December 17, 2020, the Company decided to award 1,437,494 free performance shares to certain corporate officers (including Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

On December 14, 2021, the Company decided to award 987,600 free performance shares to certain corporate officers (including Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

On December 7, 2022, the Company decided to award 1,139,380 free performance shares to certain corporate officers (including Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

On December 12, 2023, the Company decided to award 1,475,600 free performance shares to certain corporate officers (including Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

On December 11, 2024, the Company decided to award 1,475,900 free performance shares to certain corporate officers (including Ms. Isabelle Guichot, Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite) and certain Group employees, the terms of which are detailed in paragraph 4.2.1.2 of this universal registration document.

7.2 Dividends

No dividend was distributed by the Company during the financial year ended December 31, 2024, and it does not plan to pay a dividend in 2025. The Group's available cash will be allocated primarily to the financing of its operating activities and the repayment of financial liabilities.

7.3 General Meeting and voting rights

7.3.1 Procedures for shareholders to attend General Meetings

NOTICE TO ATTEND AND PARTICIPATE IN GENERAL MEETINGS

Shareholders' decisions are taken at General Meetings. The Ordinary General Meeting is the meeting called to take all decisions that do not amend the Articles of Association. It takes place at least once a year, within six months of the end of each financial year, to rule on the financial statements for that year and on the consolidated financial statements.

The Extraordinary General Meeting alone is authorised to amend all the provisions of the Articles of Association.

General Meetings are convened by the Board of Directors under the conditions and within the periods stipulated by law. General Meetings are held at the registered office or at any other place indicated in the notice of meeting.

Any shareholder may participate in meetings, either personally or through a representative, subject to providing proof of their identity and ownership of their securities in the form of accounting registration of their securities under the conditions provided for by the laws and regulations in force. Any shareholder may vote remotely or confer power of attorney in accordance with the regulations in force.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence or otherwise failing this, by the director delegated for such purpose by the Board of Directors. Failing that, the meeting elects its Chairman itself.

The duties of tellers (scrutateurs) are performed by the two members of the meeting, present and accepting such duties, holding the highest number of votes, either themselves or as representatives.

The office (bureau) appoints the secretary, who need not be a shareholder.

EXERCISE OF VOTING RIGHTS, DOUBLE VOTING RIGHTS, LIMITATIONS TO VOTING RIGHTS

Each ordinary share grants the right to a share in the Company's profits and assets, in proportion to the amount of share capital it represents. Each ordinary share also grants the right to vote and be represented at General Meetings, under the statutory conditions and the conditions of the Articles of Association.

A voting right is awarded to every share in the Company.

A double voting right is introduced for fully paid-up ordinary shares that have been held continuously as registered shares by the same holder for a minimum period of at least two (2) years.

In accordance with Article L. 225-123, Section 2 of the French Commercial Code, in the event of a capital increase through the incorporation of reserves, profits or issue premiums, the double voting right is granted to the new ordinary shares awarded free of charge to a shareholder as from the issuance thereof, on the basis of the former ordinary shares for which they are already entitled to this right.

This double voting right may be exercised at any meeting.

The double voting right ceases automatically when the ordinary share is converted to a bearer share or ownership is transferred.

As for ordinary shares, the voting rights attached to the G PS were proportional to the percentage of share capital that they represent, and each G PS gave the right to at least one vote. A double voting right was introduced for G PS that have been held continuously by the same holder for a minimum period of at least two years. The G PS were in mandatory registered form. The new ordinary shares issued on conversion of the class G preferred shares will carry the same rights as existing ordinary shares of the same class after the payment, where applicable, of a dividend in respect of the previous financial year. For each converted G PS that had a double voting right, one of the newly issued ordinary shares corresponding to this converted G PS will be granted a double voting right, with the other newly issued ordinary shares not having such voting rights until they have been held continuously by the same holder for a minimum period of at least two years after the conversion.

7.4 Elements likely to have an impact in the event of a public offering

The elements that could have an impact in the event of a public offering are described below.

7.4.1 Structure of the Company's capital

See paragraphs 7.1.1, 7.1.2, 7.1.3 and 7.1.4.

7.4.2 Restrictions defined by the Articles of Association on the exercise of voting rights and stock transfers, or clauses of agreements of which the Company has been informed pursuant to Article L. 233-11 of the French Commercial Code

The restrictions defined by the Articles of Association on the exercise of voting rights and stock transfers, or the clauses of agreements of which the Company has been informed pursuant to Article L. 233-11 of the French Commercial Code, as well as the rules governing the nomination and replacement of members of the Board of Directors, and the agreements among shareholders of the Company known by the Company which may result in restrictions on stock transfers and

the exercise of voting rights are described in paragraphs 4.1.2.2, 4.1.3 and 7.4.5 in the universal registration document. The powers of the Board of Directors, particularly the issuance and purchase of shares, and the agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company, are described in paragraphs 7.4.6 and 7.4.7 respectively of the universal registration document.

7.4.3 Direct or indirect equity interests in the Company's share capital of which it has been informed pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code

Direct or indirect shareholdings in the Company of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code are described in the shareholding structure table above [see paragraph 7.1.1 of the universal registration document].

7.4.4 List of persons holding any security with special control rights and a description of those rights or control mechanisms stipulated in a potential employee shareholding structure, when the control rights are not exercised by employees

There are no persons holding a security that carries special control rights or control mechanisms stipulated in a potential employee shareholding structure system, when the control rights are not exercised by employees.

7.4.5 Shareholders agreements of which the Company is aware and which could result in restrictions on the transfer of shares and the exercise of voting rights

None.

7.4.6 Powers of the Board of Directors for capital increase and share buyback

Information relating to the powers of the Board of Directors to increase the share capital is detailed in the Company's Articles of Association and in paragraph 7.6.1 of this universal registration document, which describes the financial delegations for capital increases in force and those whose adoption will be proposed to the General Meeting of the Company which will be convened for June 12, 2025. It is specified that the Board of Directors may not use these delegations, without the prior authorisation of the Shareholders' General Meeting, as from the filing by a third party of a public offering for the Company's shares and until the end of the offer period.

SHARE BUYBACK PROGRAMME

The Shareholders' General Meeting of June 6, 2024 authorised the Board of Directors, for a period of 18 months from the date of the Meeting, with the option of sub-delegation in accordance with laws and regulations and pursuant to the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code, to purchase on one or more occasions at the times it shall establish, a number of shares of the Company that may not exceed 10% of the total number of shares composing the share capital, at any time, or 5% of the total number of shares composing the share capital for shares acquired by the Company in order to retain them and subsequently remit such shares as payment or exchange within a merger, demerger or spin-off transaction; it is specified that the number of shares held by the Company may not under any circumstances result in the Company holding at any time more than 10% of the shares composing its share capital.

The shares may be acquired, by resolution of the Board of Directors, in order to:

- ensure liquidity and stimulate the Company securities market through an investment service provider acting independently under a liquidity agreement in accordance with the code of ethics recognised by the AMF;
- award shares to members of the Company's personnel, particularly in respect of (i) Company profit-sharing; (ii) any Company share purchase option plan, under the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code; or (iii) any savings plan pursuant to Articles L. 3331-1 *et seq.* of the French Labour Code or any free award of shares under the provisions of Articles L. 225-197-1 *et seq.* of the French

Commercial Code, and perform any hedging transactions relating to these transactions, under the conditions laid down by the market authorities and at the times which the Board of Directors or the person acting by delegation of the Board of Directors will determine;

- hand over the Company shares at the time of exercise of the rights attached to securities granting the right, by repayment, conversion, exchange, presentation of a note or in any other way, to the award of shares of the Company under the regulations in force, and perform any hedging transactions relating to these transactions, under the conditions laid down by the market authorities and at the times which the Board of Directors or the person acting by delegation of the Board of Directors will determine;
- hold the Company shares and remit them at a later date for payment or exchange in connection with any external growth transactions;
- cancel the shares of the Company in connection with a reduction in share capital;
- implement any market practice that may be accepted by the AMF and, more generally, perform any transactions complying with the regulations in force.

The maximum unit purchase price, excluding fees, may not be greater than €25.

In the event of transactions in the Company's capital, particularly a change in the nominal value of the share, an increase in capital through the incorporation of reserves followed by the creation and the free award of shares, or the division or grouping of securities, the Board of Directors may adjust the aforementioned maximum purchase price, however, in order to account for the effect of these transactions on the Company's share value.

These shares may be acquired, disposed of or transferred and paid for by any means authorised by the regulations in force, on a regulated market, on a multilateral trading system, with a systematic internaliser or over the counter, particularly through the acquisition or transfer of blocks of shares, the use of options or other derivative financial instruments, or notes or, more generally, to securities granting the right to shares of the Company, at times determined by the Board of Directors, excluding public offer periods involving the Company's securities.

The Board of Directors will have all powers, with the option of sub-delegation under the statutory and regulatory conditions, to effect the permitted reallocations of shares bought back with a view to one of the objectives of the programme or to one or more of its other objectives, or to transfer them, on or off the market, in adherence to the relevant statutory and regulatory provisions.

The Board of Directors will inform the General Meeting of the transactions performed, under the statutory conditions.

The Board of Directors may not, without the prior authorisation of the General Meeting, make use of this authorisation as from the filing by a third party of a public offer proposal for the Company's shares, until the end of the offer period.

The Board of Directors did not decide to implement share buyback program in 2024.

At December 31, 2024, SMCP held 213,099 shares repurchased under the buyback programme of 680,000 shares decided by the Board of Directors on October 6, 2023, and implemented between October 9 and November 7, 2023.

LIQUIDITY AGREEMENT

A liquidity agreement was entered into with Rothschild Martin Maurel to manage the Company's shares from August 5, 2024 until December 31, 2024, thereafter automatically renewable for one-year periods. On August 2, 2024, the Company terminated the liquidity agreement entrusted to BNP Paribas Arbitrage on November 28, 2017.

As of December 31, 2024, under its liquidity agreement, the Company did not hold any treasury shares.

7.4.7 Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company

The agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company are detailed in paragraphs 3.4.2.2 "Financial liabilities" and 3.4.2.6 "Voluntary early repayment" of the universal registration document.

7.4.8 Agreements stipulating indemnities for members of the Board of Directors or employees if they resign or are dismissed without real and serious cause, or if their employment ends because of a public offering

The Group has established agreements that stipulated severance packages for the termination of Ms. Isabelle Guichot in her capacity as Chief Executive Officer, and for Ms. Évelyne Chétrite, Ms. Judith Milgrom and Mr. Ilan Chétrite in their capacity as Deputy General Managers. Detailed information is presented in paragraph 4.2.1.2 of the universal registration document. It should also be noted that, for the Deputy General Managers, the regulations for the award of free performance share plans implemented as of the General Meeting of June 17, 2021 (i.e. as of the date of this universal registration document, Plan no. 5 set up by the Board of Directors on December

14, 2021, Plan no. 6 set up by the Board of Directors on December 7, 2022, Plan no. 7 set up by the Board of Directors on December 12, 2023 and Plan no. 8 set up by the Board of Directors on December 11, 2024), provide, in the event of a forced or voluntary departure following a change in control of the Company, for a mechanism to accelerate the vesting of the free performance shares and to maintain all rights upon their award, by deeming that all the award conditions (including any employment and/or performance conditions) have been met on the date of departure.

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

No transaction mentioned in Article L. 621-18-2 of the French Monetary and Financial Code was carried out during the 2024 financial year.

7.5 Information on share capital

7.5.1 Share capital subscribed and share capital authorised but not issued

On the date of this universal registration document, the Company's share capital totalled €86,159,587.80. It is divided into 78,326,898 fully paid-up ordinary shares with a nominal value of €1.10.

In response to questions raised during the dialogue with its shareholders and comments made by the main proxy advisory agencies, and in line with best practices followed by a certain number of listed companies, SMCP decided notably to increase to three years the vesting period of the performance share award plans that the General Meeting of June 21, 2023 was asked to authorise

the Board of Directors to award (the performance criteria of which have been amended; see paragraph 4.2.1.1 "Basic principles"). The percentage of share capital allocated to awards of new or existing free shares, in favour of employees and executive corporate officers of the Company and related companies, has been reduced to 2% since that General Meeting of June 21, 2023.

The Company Shareholders' General Meeting held on June 6, 2024 approved the following capital increase financial delegations.

Resolution	Nature of the delegation	Maximum term	Maximum nominal amount	Utilisation in the 2024 financial year
18 th resolution	Authorisation to carry out transactions on the Company's shares (share buyback programme)	18 months	Subject to a limit of 10% of the total number of shares forming the share capital or 5% of the total number of shares with a view to their retention and subsequent remittance for payment or exchange in connection with external growth transactions Maximum purchase price: €25	A liquidity agreement was entered into with Rothschild Martin Maurel to manage the Company's shares from August 5, 2024 until December 31, 2024, thereafter automatically renewable for one-year periods. On August 2, 2024, the Company terminated the liquidity agreement entrusted to BNP Paribas Arbitrage on November 28, 2017.
19 th resolution	Authorisation granted to the Board of Directors to reduce the share capital by cancelling treasury shares	26 months	Subject to a limit of 10% of the share capital every 24 months	None
20 th resolution	Delegation of authority to the Board of Directors to increase the share capital through the capitalisation of reserves, profits or premiums or any other sum that may be capitalised	26 months	€15,820,000 (i.e. approximately 20% of the share capital)	None
21 st resolution	Delegation of authority to the Board of Directors to increase the share capital through the issuance, maintaining the preemptive subscription right, of shares and/or equity securities giving rights to other equity securities and/or giving rights to the allocation of debt securities and/or securities giving rights to equity securities to be issued	26 months	For capital increases: €32,050,000 ⁽¹⁾ (i.e. approximately 40% of the share capital) For issuances of debt securities: €500 m ⁽³⁾	None
22 nd resolution	Delegation of authority to the Board of Directors to increase the share capital through the issuance, with removal of the preemptive subscription right, of shares and/or equity securities giving rights to other equity securities and/or giving rights to the allocation of debt securities and/or securities giving rights to equity securities to be issued in the context of public offerings other than those described in Article L. 411-2 of the French Monetary and Financial Code ⁽⁵⁾	26 months	For capital increases: €8 million ⁽¹⁾⁽²⁾ (i.e. approximately 10% of the share capital) For issuances of debt securities: €500 m ⁽³⁾	None

Resolution	Nature of the delegation	Maximum term	Maximum nominal amount	Utilisation in the 2024 financial year
23 rd resolution	Delegation of authority to the Board of Directors to increase the share capital through the issuance, with removal of the preemptive subscription right, of shares and/or equity securities giving rights to other equity securities and/or giving rights to the allocation of debt securities and/or securities giving rights to equity securities to be issued in the context of public offerings described in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code ⁽¹⁾	26 months	For capital increases: €8 million ⁽¹⁾⁽²⁾ (i.e. approximately 10% of the share capital) For issuances of debt securities: €500 million ⁽³⁾	None
24 th resolution	Authorisation to the Board of Directors in the case of an issuance with removal of the preemptive subscription right, by way of public offerings in order to set the issue price in line with the conditions set by the General Meeting within the limit of 10% of the capital per year	26 months	For capital increases: €8 million ⁽¹⁾⁽²⁾ (i.e. approximately 10% of the share capital) For issuances of debt securities: €500 million ⁽³⁾	None
25 th resolution	Delegation of authority to the Board of Directors to increase capital through the issuance of shares and/or equity securities giving rights to other equity securities and/or giving rights to the allocation of debt securities and/or securities giving rights to equity securities to be issued in consideration for in-kind contributions up to a limit of 10% of the share capital	26 months	For capital increases: €8 million ⁽¹⁾⁽²⁾ (i.e. approximately 10% of the share capital) For issuances of debt securities: €500 million ⁽³⁾	None
26 th resolution	Delegation of authority to the Board of Directors to increase the share capital, without preemptive subscription rights, through the issuance of Company shares reserved for members of a company savings scheme	26 months	3% of the share capital ⁽¹⁾⁽⁴⁾	None

Resolution	Nature of the delegation	Maximum term	Maximum nominal amount	Utilisation in the 2024 financial year
27 th resolution	Delegation of authority to the Board of Directors to increase the share capital through the issuance of shares, eliminating pre-emptive subscription rights, to a defined category of beneficiaries	18 months	3% of the share capital ⁽¹⁾⁽⁴⁾	None
28 th resolution	Authorisation given to the Board of Directors to allocate existing or new free shares to certain employees and corporate officers of the Company and its related companies, with removal of shareholders' preemptive subscription right	38 months	2% of the share capital ⁽¹⁾	Board of Directors' meeting of December 11, 2024

(1) Delegation subject to the total ceiling of €32,050,000 for capital increases (approximately 40% of the share capital).

(2) Delegation subject to the sub-ceiling applicable to capital increases with removal of the preemptive subscription right set at €8 million (approximately 10% of the share capital).

(3) Delegation subject to the total ceiling of €500 million for issues of debt securities.

(4) The maximum nominal total of the capital increases that may be executed under this authority is charged against the total ceiling for transactions reserved for employees that is set at €2.4 million.

(5) This includes the effect of repaying the securities granted to the Company as part of a public exchange offering initiated by the Company (Article L. 22-10-54 of the French Commercial Code).

The table below shows the financial resolutions relating to a capital increase to be recommended for adoption to the Shareholders' General Meeting of the Company that will be called on June 12, 2025. These resolutions may not, without the prior authorisation of the General Meeting, be implemented as from the filing by a third party of a public offer proposal for the Company's shares, until the end of the offer period.

Resolution	Nature of the delegation	Maximum term	Maximum nominal amount
21 st resolution	Authorisation to carry out transactions on the Company's shares (share buyback programme)	18 months	Subject to a limit of 10% of the total number of shares forming the share capital or 5% of the total number of shares with a view to their retention and subsequent remittance for payment or exchange in connection with external growth transactions Maximum purchase price: €25
22 nd resolution	Authorisation granted to the Board of Directors to reduce the share capital by cancelling treasury shares	26 months	Subject to a limit of 10% of the share capital every 24 months
23 rd resolution	Delegation of authority to the Board of Directors to increase share capital, eliminating preemptive subscription rights, through the issuance of shares of the Company reserved for the participants in a company savings plan	26 months	3% of the share capital ⁽¹⁾⁽²⁾
24 th resolution	Delegation of authority to the Board of Directors to increase the share capital through the issuance of shares, with removal of the preemptive subscription right, to a defined category of beneficiaries	18 months	3% of the share capital ⁽¹⁾⁽²⁾
25 th resolution	Authorisation given to the Board of Directors to allocate existing or new free shares to certain employees and corporate officers of the Company and its related companies, with removal of shareholders' preemptive subscription right	38 months	2% of the share capital ⁽¹⁾

(1) Delegation subject to the total ceiling of €32,050,000 for capital increases (approximately 40% of the share capital).

(2) The maximum nominal total of the capital increases that may be executed under this authority is charged against the total ceiling for transactions reserved for employees that is set at €2.4 million.

7.5.2 Financial instruments not representing capital

As of the date of this universal registration document, the Company has not issued any non-equity securities.

7.5.3 Shares held by the Company or on its behalf

As of December 31, 2024, under its liquidity agreement with Rothschild Martin Maurel, the Company held no treasury shares.

For the share buyback programmes see paragraph 7.4.6 "Powers of the Board of Directors for capital increase and share buyback" of this universal registration document.

7.5.4 Other securities giving access to share capital

As of the date of this universal registration document, the Company had not issued any securities giving rights to capital other than ordinary shares and the free performance shares described in paragraph 7.1.6 of this universal registration document.

7.5.5 Change in the Company's capital over the last three financial years

(In euros)	Nature of the transaction	Capital before the transaction	Number of shares before the transaction
January 1, 2021	Capital increase	82,687,319	75,170,290 shares divided between: 74,117,760 ordinary shares 1,052,530 class G preferred shares
April 17, 2021	Capital increase	83,179,393	75,617,630 shares divided between: 74,718,139 ordinary shares 899,491 class G preferred shares
January 1, 2022	Capital increase	83,267,404	75,697,640 shares divided between: 74,798,149 ordinary shares 899,491 class G preferred shares
January 1, 2023	Capital increase	83,871,608.70	76,246,917 shares divided between: 75,535,338 ordinary shares 711,579 class G preferred shares
January 1, 2025	Capital increase	83,917,383	76,288,530 shares divided between: 75,591,187 ordinary shares 697,343 class G preferred shares

Number of shares after the transaction	Unit price per share (in €)	Nominal value (in €)	Capital after operation (in €)
75,617,630 shares divided between: 74,718,139 ordinary shares 899,491 class G preferred shares	Ordinary shares: 1.10 Preferred shares (class G): 1.10	Ordinary shares: 1.10 Preferred shares (class G): 1.10	83,179,393
75,697,640 shares divided between: 74,798,149 ordinary shares 899,491 class G preferred shares	Ordinary shares: 1.10 Preferred shares (class G): 1.10	Ordinary shares: 1.10 Preferred shares (class G): 1.10	83,267,404
76,246,917 shares divided between: 75,535,338 ordinary shares 711,579 class G preferred shares	Ordinary shares: 1.10 Preferred shares (class G): 1.10	Ordinary shares: 1.10 Preferred shares (class G): 1.10	83,871,608.70
76,288,530 shares divided between: 75,591,187 ordinary shares 697,343 class G preferred shares	Ordinary shares: 1.10 Preferred shares (class G): 1.10	Ordinary shares: 1.10 Preferred shares (class G): 1.10	83,917,383
78,326,898 ordinary shares	Ordinary shares: 1.10	Ordinary shares: 1.10	86,159,587.80





Appendices

8.1	Presentation of the issuer	350	8.4	Person responsible for the universal registration document	354
8.2	Information about the Statutory Auditors	351	8.4.1	Person responsible	354
8.3	Information on the universal registration document	352	8.4.2	Statement by the person responsible	354
			8.5	Documents available to the public	354
				Cross-reference tables	355

8.1 Presentation of the issuer

Company name: SMCP SA

Company purpose:

The Company's purpose, both in France and abroad, comprises the following:

- the purchase, subscription, holding, management, transfer or contribution of shares or other securities in any French and foreign companies and undertakings;
- any provision of services and advice concerning human resources, IT, management, financial communication, law, marketing and purchasing for its subsidiaries and direct or indirect equity interests;
- the holding, management and disposal of trademarks and patents;
- the activities of a group financing company and, as such, the supply of any type of financial assistance for companies forming part of the group of companies to which the Company belongs, particularly any transactions authorised under Article L. 511-7 3° of the French Monetary and Financial Code;
- the granting of any bonds or guarantees to the benefit of any company in its group or within the scope of the normal business activities of any companies in its group;
- and, in general, any transactions, whether financial, commercial, industrial or civil or related to immovable or movable property that may be associated directly or indirectly with the foregoing company purpose and any similar or related purposes, and of such a nature as to directly or indirectly encourage the Company's aim and its expansion, development and assets.

In general, the Company is authorised to perform any commercial, industrial or financial transactions that may be directly or indirectly associated with the foregoing purpose, in full or in part, or with any related or complementary activities or any activities that may contribute to its expansion or development.

Place and registration: Paris trade and companies register, number 819 816 943.

Legal entity identifier (LEI): 96950034TTGHHKKEN547

Share capital: €86,159,587.80

Date of constitution and duration: April 20, 2016, for a duration of 99 years, except in the event of early dissolution or extension on the collective decision of shareholders in accordance with the law and the Articles of Association.

Date of commencement of the financial year: January 1

Registered office: 49, rue Étienne-Marcel, 75001 Paris, France, Tel. + 33 1 55 80 51 00.

Website: www.smcp.com

Legal form and applicable law: French law public limited company (*société anonyme*).

8.2 Information about the Statutory Auditors

Statutory auditors

Grant Thornton

29, rue du Pont
92200 Neuilly-sur-Seine

Represented by Mr. Lionel Cudey

The General Meeting of the Company held on June 9, 2022 appointed the firm Grant Thornton as co-Statutory Auditor of the Company for a term of six years, until the end of the General Meeting called to approve the financial statements for the financial year ending December 31, 2027.

Grant Thornton is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (Regional Company of Statutory Auditors of Versailles).

Deloitte & Associés

6, place de la Pyramide
92908 Paris-la-Défense

Represented by Ms. Bénédicte Sabadie

The General Meeting of the Company held on June 21, 2023 renewed the firm Deloitte & Associés as co-Statutory Auditor of the Company for a term of six years, until the end of the General Meeting called to approve the financial statements for the financial year ending December 31, 2028.

Deloitte & Associés is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (Regional Company of Statutory Auditors of Versailles).

8.3 Information on the universal registration document

The amounts shown in this universal registration document are generally shown in millions of euros and rounded up or down to the nearest million, with the exception of Chapter 6 “Financial statements”, where they are shown in millions of euros with a decimal. Values shown are usually rounded up or down to the nearest unit. Therefore, the total of these rounded amounts may differ slightly from the reported total. In addition, ratios and differences are calculated based on underlying amounts and not on rounded amounts.

The financial information presented is taken from Chapter 5 “Analysis of activity and outlook” and from the SMCP consolidated financial statements for the 2024 financial year prepared in accordance with IFRS, presented with their Appendices in Chapter 6 “Financial Statements”.

References and definitions

Unless otherwise stated, all the references mentioned below correspond to the following:

- the terms “**Group**”, “**Company**” or “**SMCP**” concern the Company and its subsidiaries and equity interests;
- all references to “**EMEA**” cover the Group’s activities in European countries excluding France (mainly the United Kingdom, Spain, Germany, Switzerland, Italy and Benelux) as well as the Middle East (particularly the United Arab Emirates);
- “**America**” covers the Group’s activities in the United States, Canada and Mexico;
- “**APAC**” covers the Group’s activities in the various Asia-Pacific markets, primarily Mainland China, Hong Kong SAR, Taiwan, South Korea, Singapore, Thailand, Malaysia and Australia;
- data relating to **openings of points of sale** by the Group in a given period are presented net of closures over the same period;
- the data relating to **online revenue** includes revenue generated by partners.

Incorporation by reference

The Company’s consolidated financial statements for the financial year ended December 31, 2024 were audited. The Statutory Auditors’ audit reports are presented in sections 6.1.3 and 6.2.3 of this universal registration document.

Pursuant to Article 19 of Regulation (EU) 2017/1129 of June 14, 2017, the following elements have been incorporated by reference in the universal registration document for 2024:

- the consolidated and annual financial statements for the financial year ended December 31, 2023 presented in sections 4.1.1, 4.1.2, 4.2.1 and 4.2.2 and the related Statutory Auditors’ reports presented in sections 4.1.3 and 4.2.3 of the universal registration document no. D.24-0249 filed with the French Financial Markets Authority (AMF) on April 5, 2024 (<https://www.smcp.com/app/uploads/2024/04/smcp-document-denregistration-universal-2023.pdf>);
- sections 3.3 “Cash flow” and 3.4 “Financial structure” of universal registration document no. D.24-0249 filed with the AMF on April 5, 2024 (<https://www.smcp.com/app/uploads/2024/04/smcp-document-denregistrement-universal-2023.pdf>);
- the consolidated and annual financial statements for the financial year ended December 31, 2022 presented in sections 5.1.1, 5.1.2, 5.2.1 and 5.2.2 and the related Statutory Auditors’ reports presented in sections 5.1.3 and 5.2.3 of universal registration document no. D.23-0260 filed with the AMF on April 11, 2023 (<https://www.smcp.com/app/uploads/2023/04/smcp-document-denregistration-universal-2022.pdf>);
- sections 4.3 “Cash flow” and 4.4 “Financial structure” of universal registration document no. D.23-0260 filed with the AMF on April 11, 2023 (<https://www.smcp.com/app/uploads/2023/04/smcp-document-denregistrement-universal-2022.pdf>).

Forward-looking information

This universal registration document contains information on the Group's outlook and development priorities. These indications may be identified by the use of the future, the conditional tenses and forward-looking terms such as "consider", "envisage", "think", "have as its purpose", "anticipate", "understand", "should", "aim", "estimate", "believe", "wish", "could", or, where applicable, the negative form of these terms, or any other variant or similar terminology. This information does not constitute historical data and cannot be interpreted as warranting that the facts and data set out will be

vindicated. This information is based on data, assumptions and estimates considered as reasonable by the Group. These may change or be amended given uncertainties associated with the economic, financial, competitive and regulatory environment. In addition, the materialisation of certain risks described in Chapter 2 "Risk factors and internal control" of this universal registration document could have an impact on the Group's business, position and financial results, and its ability to achieve its objectives.

Information from third parties, expert statements and declarations of interest

This universal registration document contains information on the Group's markets and the Group's positioning in these markets, including information on the size of these markets, their competitive environment and their dynamics, as well as their growth prospects. In addition to the estimates made by the Group, the elements on which the Group bases its statements come from studies and statistics published by independent third parties and professional organisations and from data published by the Group's competitors, suppliers and customers.

To the best of the Company's knowledge, information extracted from third-party sources has been faithfully reproduced in this universal registration document and no fact has been omitted that would

render this information inaccurate or misleading. Certain information contained in this universal registration document is publicly available information that the Company considers reliable but which has not been verified by an independent expert. The Company cannot guarantee that a third party using different methods to collect, analyse or calculate data on the business segments would obtain the same results. The Company makes no commitment and gives no guarantee as to the accuracy of this information. This information may prove to be incorrect or out of date. The Group makes no commitment to publish updates to this information, except in the context of any legal or regulatory obligation that may be applicable to it.

8.4 Person responsible for the universal registration document

8.4.1 Person responsible

Ms. Isabelle Guichot, Chief Executive Officer of SMCP SA.

8.4.2 Statement by the person responsible

"I hereby declare, that the information contained in this universal registration document, to the best of my knowledge, reflects the facts and contains no omission that might affect its scope.

I hereby declare that, to the best of my knowledge, the annual and consolidated financial statements have been prepared in accordance with the corpus of applicable accounting standards and present an accurate and honest picture of the assets and liabilities, financial position and profits or losses of the Company and of all the companies included in the consolidation, and that the Group's management report, for which the cross-reference table appears on page 358 of this

universal registration document, presents a fair picture of the changes in the results and financial position of the Company and of all the companies included in the consolidation, as well as a description of the principal risks and uncertainties facing the companies, and that it has been prepared in accordance with the applicable sustainability reporting standards."

April 16, 2025

Ms. Isabelle Guichot

Chief Executive Officer of SMCP SA

8.5 Documents available to the public

The Articles of Association, minutes of General Meetings and other corporate documents of the Company may be consulted at the Company's registered office.

Regulated information as defined by the general regulations of the French Financial Markets Authority (AMF) is also available on the Company's website (www.smcp.com).

Universal registration document cross reference tables

Information required by Annexes 1 and 2 of the Delegated Regulation (EC) no. 2019/980 of March 14, 2019 in accordance with the universal registration document scheme.

Headings	Pages	Chapters
1. Persons responsible, third-party information, statements by experts and approval by the competent authority		
1.1 Identity of persons responsible	354	8
1.2 Statement of persons responsible	354	8
1.3 Name, address, qualifications of persons acting as experts	N/A	N/A
1.4 Certification relating to third-party information	N/A	N/A
1.5 Declaration concerning the competent authority	1	-
2. Statutory Auditors		
2.1 Identity of the Statutory Auditors	351	8
2.2 Potential change	N/A	N/A
3. Risk factors	42 et seq.	2
4. Information about the Company		
4.1 Company name and commercial name	350	8
4.2 Place, registration number and LEI	350	8
4.3 Date of constitution and duration	350	8
4.4 Registered office and legal form, legislation governing the activities, country of origin, address and telephone number of the registered office, website with a disclaimer	350	8
5. Business overview		
5.1 Main activities	9 et seq.	1
5.2 Main markets	10 et seq.; 17 et seq.	1
5.3 Significant events	240 et seq.; 267; 307; 315 et seq.	5; 6
5.4 Strategy and objectives	8 et seq.; 29 et seq.; 73 et seq.	1; 3
5.5 Dependence on patents, licences, contracts and manufacturing processes	60	2
5.6 Statement on competitive position	24 et seq.	1
5.7 Capital expenditure		
5.7.1 Significant capital expenditure projects carried out	251	5
5.7.2 Main ongoing or planned capital expenditure projects	251	5
5.7.3 Information on joint ventures and associated companies	306; 321	6
5.7.4 Environmental issues that may affect the use of property, plant and equipment	95; 156 et seq.	3; 6
6. Organisational structure		
6.1 Brief overview of the Group	32 et seq.	1
6.2 List of significant subsidiaries	34; 306	1; 6
7. Review of the financial position and results		
7.1 Financial position		
7.1.1 Changes in results and financial position including key financial and, where applicable, non-financial performance indicators	241 et seq. 260 et seq.; 75.	3; 5; 6
7.1.2 Future development forecasts and research and development activities	256	5
7.2 Operating income		
7.2.1 Significant factors, unusual or infrequent events or new developments	240; 267; 307; 315 et seq.	5; 6
7.2.2 Reasons for significant changes in net revenue or net income	240; 267; 315 et seq.	5; 6

Headings	Pages	Chapters
8. Liquidity and capital		
8.1 Information on capital	250 et seq.; 294 et seq.; 315 et seq.	5; 6
8.2 Cash flows	250 et seq.; 263	5; 6
8.3 Financing requirements and financing structure	260 et seq.; 295 et seq.	5; 6
8.4 Restrictions on the use of capital	255	5
8.5 Expected sources of funding	N/A	N/A
9. Regulatory environment		
Description of the regulatory environment that may affect the Company's activities	35 et seq.; 59	1; 2
10. Trend information		
10.1 Description of the main trends and any significant changes in the Group's financial performance since the end of the last financial year		5
10.2 Events likely to have a material impact on the outlook	22-23; 267; 307; 319	1; 5; 6
11. Profit forecasts or estimates		
11.1 Published profit forecasts or estimates	256	5
11.2 Statement setting out the key forecast assumptions	256	5
12. Administrative, management and supervisory bodies and senior management		
12.1 Information about members	180; 185 et seq.	4
12.2 Conflicts of interest	207	4
13. Compensation and benefits		
13.1 Compensation paid and benefits in kind	305; 208 et seq.	4; 6
13.2 Provisions for pensions, retirement and other similar benefits	296 et seq.; 137	6
14. Operations of administrative and management bodies		
14.1 Expiration date of the terms of office	185 et seq.	4
14.2 Service contracts binding members of the administrative, management or supervisory bodies to the Company	235 et seq.	4
14.3 Information on the Audit and Compensation Committees	203 et seq.	4
14.4 Statement of compliance with the corporate governance regime in force	182	4
14.5 Potential future changes to corporate governance	305; 215	4; 6
15. Employees		
15.1 Number of employees	304; 126 et seq.	3; 6
15.2 Equity interests and stock options	138 et seq.; 214 et seq.; 334 et seq.	4; 6; 7
15.3 Agreement providing for employee profit-sharing	334 et seq.	7
16. Principal shareholders		
16.1 Shareholders holding more than 5% of the share capital	294; 334 et seq.	6; 7
16.2 Existence of different voting rights	294; 334 et seq.	6; 7
16.3 Direct or indirect control	294; 330 et seq.	6; 7
16.4 Agreements whose implementation could result in a change of control	47	2
17. Related-party transactions	306 et seq.; 235 et seq.	4
18. Financial information concerning the assets and liabilities, financial position and results of the Company		
18.1 Historical financial information		
18.1.1 Audited historical financial information for the last three financial years and audit report	260 et seq.; 312 et seq.	6
18.1.2 Change of accounting reference date	N/A	N/A
18.1.3 Accounting standards	260 et seq.; 312 et seq.	6
18.1.4 Change in accounting standards	N/A	N/A
18.1.5 Balance sheet, income statement, changes in equity, cash flows, accounting policies and explanatory notes	260 et seq.; 312 et seq.	6

Headings	Pages	Chapters
18.1.6 Consolidated financial statements	260 et seq.	6
18.1.7 Date of latest financial information	260 et seq.; 312 et seq.	6
18.2 Interim and other financial information (audit or review reports where applicable)	N/A	N/A
18.3 Audit of historical annual financial information		
18.3.1 Independent audit of historical annual financial information	308 et seq.; 322 et seq.	6
18.3.2 Other audited information	N/A	N/A
18.3.3 Unaudited financial information	N/A	N/A
18.4 Pro forma financial information	N/A	N/A
18.5 Dividend distribution policy		
18.5.1 Description of the dividend distribution policy and any applicable restrictions	337	7
18.5.2 Amount of dividend per share	N/A	N/A
18.6 Administrative, legal and arbitration proceedings	60 et seq.	2
18.7 Significant change in financial position	244; 315 et seq.	5; 6
19. Additional information		
19.1 Information on share capital		
19.1.1 Amount of share capital subscribed, number of shares issued and fully paid up and nominal value per share, number of shares authorised	294; 330 et seq.	6; 7
19.1.2 Information on shares not representing share capital	345	7
19.1.3 Number, carrying amount and nominal value of shares held by the Company	346	6; 7
19.1.4 Convertible securities, exchangeable securities or securities accompanied by warrants	346	7
19.1.5 Conditions governing any right of acquisition and/or any obligation attached to the capital subscribed but not paid up, or on any undertaking to increase the capital	333 et seq.	7
19.1.6 Conditional or unconditional option or agreement of any Group member	N/A	N/A
19.1.7 History of share capital	333 et seq.; 346 et seq.	7
19.2 Memorandum and Articles of Association		
19.2.1 Register and company purpose	350	8
19.2.2 Rights, privileges and restrictions attached to each category of shares	333 et seq.	6; 7
19.2.3 Provisions delaying, deferring or preventing a change of control	N/A	N/A
20. Major contracts	253	5
21. Available documents	354	8

Management report cross-reference table

Headings	Reference texts	Pages	Chapters
1. Company situation and activity			
Company situation and objective and exhaustive analysis of the evolution of the business, the results and the financial situation of the Company, in particular its debt position in view of the volume and complexity of its business	Articles L. 232-1, II., L. 233-6 and L. 233-26 of the French Commercial Code	239 et seq.	5
Financial key performance indicators	Article L.232-1, II, 4° of the French Commercial Code	272 et seq.	6
Non-financial key performance indicators related to the specific business activity of the Company	Article L.232-1, II, 4° of the French Commercial Code	65 et seq.; 75	3
Significant events occurring between December 31, 2024, and the date on which the management report was prepared	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	307	5; 6
Existing free-standing stores	Article L. 232-1, II of the French Commercial Code	12 et seq.	1
Equity investment in a Company with its registered office in France on French territory	Article L. 233-6 par.1 of the French Commercial Code	34	1
Disposal of cross-holdings	Articles L. 233-29, L. 233-30 and R. 233-19 of the French Commercial Code	N/A	N/A
Foreseeable development of the Company's situation and outlook	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	353; 239 et seq.	5; 8
Research and development activities	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	60	2
Table showing the Company's results for each of the last five financial years	Article R. 225-102 of the French Commercial Code	326	6
Information on payment terms for suppliers and customers	Article D. 441-6 of the French Commercial Code	251	5
Amount of inter-company loans granted and statutory auditor's statement	Articles L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code	N/A	N/A
2. Internal control and risk management			
Main risks and uncertainties facing the Company	Article L. 232-1, II, 5° of the French Commercial Code	41 et seq.; 324 et seq.; 156 et seq.	2; 3; 6
Financial risks related to the effects of climate change and presentation of measures taken to reduce them	Article L. 22-10-35, 1° of the French Commercial Code	78-79; 97-102	3
Main characteristics of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information	Article L. 22-10-35, 2° of the French Commercial Code	62 et seq.	2
Objectives and hedging policy for each category of transaction and the Company's exposure to price, credit, liquidity and cash risks. Indications include use by the Company of financial instruments	Article L. 232-1, II, 5° of the French Commercial Code	56 et seq.; 61; 300 et seq.	2; 6
Anti-corruption system	So-called "Sapin 2" Law no. 2016-1691 of December 9, 2016	63 et seq.; 322; 153-154	2; 3
Vigilance plan and report on its effective implementation	Article L. 225-102-1 of the French Commercial Code	N/A	N/A
3. Share capital and shareholding structure			
Structure, change in the Company's capital and crossing of thresholds	Article L. 233-13 of the French Commercial Code	32; 47; 240; 267; 294; 315; 329 et seq.; 341 et seq.	1; 2; 5; 6; 7

Headings	Reference texts	Pages	Chapters
Acquisition and disposal by the Company of its treasury shares	Article L. 225-111 of the French Commercial Code	346	7
Employee profit-sharing status	Article L. 225-102 paragraph 1 of the French Commercial Code	334 et seq.	7
Statement of any adjustments for securities giving access to the share capital in the event of share buybacks or financial transactions	Articles R. 228-90 and R. 228-91 of the French Commercial Code	N/A	N/A
Information on transactions by General Management and related persons on the Company's shares	Article L. 621-18-2 of the French Monetary and Financial Code	215; 336	4; 7
Amount of dividends distributed over the last three financial years	Article 243 <i>bis</i> of the French General Tax Code	264; 337	6; 7
4. Sustainability Report			
Cross-reference table for the sustainability statements		162 et seq.	3
5. Additional information required for the preparation of the management report			
Additional tax information	Articles 223 <i>quater</i> and 223 <i>quinquies</i> of the French General Tax Code	59	2
Financial injunctions or sanctions for anti-competitive practices	Article L. 464-2 of the French Commercial Code	N/A	N/A
Any changes in the presentation of the annual financial statements	Article L. 232-6 of the French Commercial Code	N/A	N/A

Cross-reference table for the corporate governance report

Headings	Reference texts	Pages	Chapters
1. Compensation information			
Corporate officer compensation policy	Article L. 22-10-8, I, paragraph 2 of the French Commercial Code	208 et seq.	4
Total compensation and benefits of any kind paid during the financial year or awarded in respect of the financial year to each corporate officer	Article L. 22-10-9, I, 1° of the French Commercial Code	220 et seq.	4
Relative proportion of fixed and variable compensation	Article L. 22-10-9, I, 2° of the French Commercial Code	208; 217 et seq.	4
Use of the option to request the return of variable compensation	Article L. 22-10-9, I, 3° of the French Commercial Code	N/A	N/A
Commitments of any kind made by the Company for the benefit of its corporate officers	Article L. 22-10-9, I, 4° of the French Commercial Code	276 et seq.; 304 et seq.; 316 et seq.; 210 et seq.; 227	4; 6
Compensation paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	Article L. 22-10-9, I, 5° of the French Commercial Code	N/A	N/A
Ratios between the level of compensation of each corporate officer and the average and median compensation of the Company's employees	Article L. 22-10-9, I, 6° of the French Commercial Code	233	4
Annual change in compensation, the Company's performance, the average compensation of the Company's employees and the aforementioned ratios over the five most recent financial years	Article L. 22-10-9, I, 7° of the French Commercial Code	233	4

Headings	Reference texts	Pages	Chapters
Explanation of how the total compensation complies with the adopted compensation policy, including how it contributes to the long-term performance of the Company and how the performance criteria were applied	Article L. 22-10-9, I, 8° of the French Commercial Code	208 et seq.; 220 et seq.; 224 et seq.; 225 et seq.	4
How the vote of the last Ordinary General Meeting provided for in Article L. 225-100, II (until December 31, 2020) then Article L.22-10-34, I, (from January 1, 2021) was taken into account	Article L. 22-10-9, I, 9° of the French Commercial Code	234	4
Deviation from the procedure for implementing the compensation policy and any exceptions	Article L. 22-10-9, I, 10° of the French Commercial Code	210 et seq.	4
Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code	Article L. 22-10-9, I, 11° of the French Commercial Code	N/A	N/A
Allocation and retention of options by corporate officers	Article L. 225-185 of the French Commercial Code	336 et seq.	7
Allocation and retention of free shares to corporate officers	Articles L. 225-197-1 and L. 22-10-59 of the French Commercial Code	102 et seq.; 142 et seq.; 213 et seq.; 224 et seq.; 227; 229; 334 et seq.	4; 6; 7
2. Governance information			
List of all offices and duties exercised in any company by each corporate officer during the financial year	Article L. 225-37-1, 4, 1° of the French Commercial Code	185 et seq.	4
Agreements entered into between General Management or a significant shareholder and a subsidiary	Article L. 225-37-4, 2° of the French Commercial Code	207; 235 et seq.	4
Summary table of current delegations of authority granted by the Shareholders' General Meeting to increase the share capital	Article L. 225-37-4, 3° of the French Commercial Code	341 et seq.	7
General Management procedures	Article L. 225-37-4, 4° of the French Commercial Code	183 et seq.	4
Composition, preparation and organisation of the work of the Board	Article L. 22-10-10-1° of the French Commercial Code	185 et seq.; 195 et seq.	4
Application of the principle of balanced representation of women and men on the Board	Article L. 22-10-10-2° of the French Commercial Code	195; 199 et seq.	4
Any limitations that the Board of Directors places on the powers of the Chief Executive Officer	Article L. 22-10-10-3° of the French Commercial Code	183 et seq.	4
Reference to a Code of Corporate Governance and application of the "comply or explain" principle	Article L. 22-10-10-4° of the French Commercial Code	182	4
Specific procedures for the participation of shareholders in the General Meeting	Article L. 22-10-10-5° of the French Commercial Code	337	7
Procedure for assessing current agreements and its implementation	Article L. 22-10-10-6° of the French Commercial Code	235	4

Headings	Reference texts	Pages	Chapters
3. Information likely to have an impact in the event of a public offering or exchange offer	Article L. 22-10-11 of the French Commercial Code		
Structure of the Company's capital		240 et seq.; 240; 338; 345	7
Restrictions defined by the Articles of Association on the exercise of voting rights and stock transfers, or clauses of agreements of which the Company has been informed pursuant to Article L. 233-11 of the French Commercial Code		335; 339	7
Direct or indirect investments in the Company's share capital of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code		336; 338	7
List of holders of any securities with special rights and a description of these rights		338	7
Shareholders agreements of which the Company is aware and which could result in restrictions on the transfer of shares and the exercise of voting rights		207; 339	4; 7
Rules applicable to the nomination and replacement of members of the Board of Directors and the amendment of the Company's articles of association		183; 185 et seq.	4; 7
Powers of the Board of Directors, in particular with regard to the issue or buyback of shares		339 et seq.	7
Agreements entered into by the Company that are amended or terminate in the event of a change of control of the Company, unless such disclosure, except in the case of a legal obligation to disclose, would seriously harm its interests		340; 341	7
Agreements stipulating indemnities for members of the Board of Directors or employees if they resign or are dismissed without real and serious cause, or if their employment ends because of a public offering		215 et seq.; 220 et seq.; 340	4; 7

Cross-reference table of the annual financial report

Headings	Texts	Pages	Chapters
	L. 451-1-2 of the French Monetary and Financial Code; L. 222-3 of the AMF General Regulation		
1. Annual financial statements		312 et seq.	6
2. Consolidated financial statements		260 et seq.	6
3. Management report		See above	
4. Corporate governance report		See above	
5. Statement by persons responsible for the annual financial report		356	8
6. Statutory auditors' reports on the financial statements of the parent company and consolidated financial statements		308; 322	6



This document is printed in France by an Imprim'Vert-certified printer on PEFC-certified paper,
from sustainably managed and controlled resources.

Learn more:
www.smcp.com



SMCP
49, rue Étienne Marcel
75001 Paris
Tel. : +33 1 55 80 51 00
Investor relations:
investor-relations@smcp.com